FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Near East & South Asia

FBIS-NES-95-234
Wednesday
6 December 1995

Daily Report
Near East & South Asia

FBIS-NES-95-234 CONTENTS *6 December 1995*

NOTICE: An * indicates material that may not be disseminated in electronic form.

INTERNATIONAL AFFAIRS

Inter-Arab Affairs

'Abd-al-Majid: Dire Need To Upgrade Performance *[MENA]* 1
League's Structural System To Stay 'Untouched' *[MENA]* 1

Palestinian Affairs

'Arafat Confirms Upcoming Meeting With Peres *[Jericho VOP]* 1
Sha'th Receives U.S. Message on Donors Meeting *[Jericho VOP]* 1
Kanafani Cited on Upcoming Election Procedures *[Jericho VOP]* 1
'Abbas on Charter Amendment, Refugees, Gulf Ties *[MENA]* 2
'Urayqat Criticizes Peres Statements on Jerusalem *[Jericho VOP]* 2
Information Ministry Reacts to UN Resolution *[Jericho VOP]* 2
Israel Preparing To Turn Over Tulkarm, Bethlehem *[Jericho VOP]* 2
Palestinian Passports Allowed at Crossings, Airport *[Jerico VOP]* 3
Jihad Organ Reports Mosad Hit List of Islamic Figures *[AL-ISTIQLAL 1 Dec]* 3

Arab-Israeli Talks

Al-Asad Reportedly Rejects Peres Peace Proposal *[HATZOFE 6 Dec]* 3
Steering Committee Discusses Redeployment, Prisoners *[Jerusalem Radio]* 4
    Quray' Comments on Meeting *[Jericho VOP]* 4

ARAB AFRICA

Egypt

AL-AHRAM Views Ross Tour, Israel's 'Intentions' *[MENA]* 5
Cairo Moves To Upgrade Ties With Iraq *[London AL-HAYAH 5 Dec]* 5
Iran's 'Crimes' in Name of Islam Criticized *[AL-AKHBAR 28 Nov]* 6
Musa Assails 'Double Standards' by New World Order *[MENA]* 6
Reportage on Parliamentary Runoff Elections 7
    Al-Alfi Vows To Maintain Order *[MENA]* 7
    Court Order Suspends Election Results *[MENA]* 7
    Court Order Challenged *[MENA]* 7
    Runoff Elections Begin *[Cairo Radio]* 8
    Opposition Supporters Arrested *[AFP]* 8
    Wafd Party Candidate Shot *[MENA]* 8
    NDP Candidate Supporter Shot Dead *[MENA]* 8
Opposition Expected To Emerge Weaker After Elections *[AFP]* 9

ARABIAN PENINSULA

GCC Foreign Ministers Hold Sideline Meeting *[SPA]* 10
    Comment on Deliberations *[Muscat TV]* 10
    Hold Second Meeting, Review Communique *[WAKH]* 10

- GCC Leaders Continue Deliberations in Muscat 10
  - Hold Second Session *[Muscat Radio]* 10
  - Prepare for Closed Third Session *[Muscat Radio]* 11
  - Hold Closed Session in Qabus' Suite *[WAKH]* 11
  - Said in Agreement on Facing 'Challenges' *[Muscat Radio]* 11
  - Draft 'Tough' Final Communique *[AFP]* 11
  - Qatari Amir Boycotts Final Session *[AFP]* 11
- GCC Reportedly Receives Second Saddam Message *[London AL-SHARQ AL-AWSAT 6 Dec]* 12
  - Iraqi Envoy Cited on Saddam Message *[London AL-HAYAH 6 Dec]* 12

Bahrain

- Opposition Leader on Dialogue, U.S. Contacts *[Paris AL-MUHARRIR 4 Dec]* 13

Qatar

- Paper Suspended for Publishing Draft GCC Communique *[WAKH]* 14
- Amir Comment on Iraq, Normalization, Oil, Gas *[London AL-HAYAH 1 Dec]* 14

Saudi Arabia

- King Fahd Receives Well-Wishers in Hospital *[SPA]* 17
- Ship Carrying Aid for Bosnian Muslims Departs *[Riyadh Radio]* 18

IRAQ

- Ramadan on Country's 'Democratic Developments' *[Baghdad TV]* 19
- Paper Expects Favorable Developments in Next Months *[INA]* 19
- Paper Urges Arab Governments To Violate Embargo *[INA]* 19
- Assembly Debates Law on 'People's Councils' *[Baghdad TV]* 20
- Decrees Introduce Promotion System for Educators *[Baghdad TV]* 20
- Formation of New Opposition Group Announced *[London AL-HAYAH 3 Dec]* 21
- Barzani Radio Reports Successes Against PKK *[Voice of Iraqi Kurdistan]* 21
- Al-Sahhaf Confers With Cuban Official *[Baghdad TV]* 22

ISRAEL

- Peres: Will Not Sacrifice Peace for National Unity *[THE JERUSALEM POST 5 Dec]* 23
- 'Agreement in Principle' Sought in Syria Treaty *[Jerusalem TV]* 23
- Syria Conditions To Be Set After Peres, Clinton Meet *[Jerusalem Radio]* 23
- Baraq on Golan Withdrawal, Early Warning Sites *[Jerusalem Radio]* 24
- Posuvalyuk Notes Syrian Interest To Advance Peace *[Jerusalem Radio]* 24
- Peres Meets, Commends Golan Residents Committee *[Golan Report 5 Dec]* 25
- IDF Officer Sees No Change in Syrian Position *[Jerusalem Radio]* 25
- IDF Denies Planned Offensive in Lebanon *[HA'ARETZ 5 Dec]* 25
- TV Reports Baraq Talks With Jordanian Envoy *[Amman TV]* 26
- Commentary Views Proposed Defense Pact With U.S. *[HA'ARETZ 5 Dec]* 26
- Security Head on PA Steps Against 'Armed Groups' *[Jerusalem Radio]* 26
- Administration Confiscates Collaborators' Weapons *[Jerusalem Radio]* 27
- Two Soldiers Wounded Near Nabulus; Students Riot *[Jerusalem Radio]* 27
- Settlers Set Up Camp To Show 'Jewish Presence' *[Jerusalem Radio]* 27
- State Memorial Service Held for Rabin *[Jerusalem Radio]* 27
- Yig'al 'Amir Charged With Premeditated Murder *[Jerusalem Radio]* 27
  - Trial To Start 19 Dec *[Jerusalem Radio]* 28

JORDAN

- King Husayn, Peres Hold Talks in Amman *[Amman Radio]* 29

Al-Kabariti on Peres Visit, Peace, Cooperation *[Cairo International]* 29
Al-Kabariti Cited on Meeting With Syria's al-Shar' *[London AL-HAYAH 5 Dec]* 30
Minister Denies Plan To Meet Israeli, Iraqi Counterparts *[AL-ASWAQ 6 Dec]* 30
Jerusalem Sources: Amman Working To Replace Saddam *[MA'ARIV 5 Dec]* 30
Editorial Questions Interest in Interfering in Iraq *[AL-MAJD 4 Dec]* 31
Officials Meet To Amend Press, Publications Law *[Amman Radio]* 31

LEBANON

Buwayz Expects Peres To Take New Proposals to U.S. *[VOL]* 33
Birri, al-Hariri Discuss Peace, Other Issues *[Beirut Radio]* 33
Buwayz Briefs al-Hirawi, al-Hariri on Barcelona *[London AL-SHARQ AL-AWSAT 5 Dec]* 33
SLA Commander Blames Government, Syria for Attacks *[Voice of the South]* 34
One Israeli Said Dead, 4 'Guerrillas' Hurt in Clash *[VOL]* 34
IDF Soldier, 3 SLA Troops Wounded in South *[Jerusalem Radio]* 34
Fatah Leader Discloses Attempts on Life *[AL-ANWAR 2 Dec]* 35
Hizballah's Qasim on Ban of Hijab in Beirut Schools *[AL-'AHD 24 Nov]* 35
Newspaper Reports Controversy of Election Law *[AL-ANWAR 30 Nov]* 35
*Text of 1996 Draft Budget Published *[AL-SAFIR 28 Sep]* 36

SYRIA

Al-Asad Receives Ross, Stresses Adherence to Peace *[Damascus Radio]* 45
Russian Aide on Ties, Peace With Israel *[London AL-HAYAH 5 Dec]* 45
Commentary on UN Resolution on Golan, Ross' Tour *[Damascus Radio]* 46
TISHRIN Comments on UN Golan Resolution *[Damascus Radio]* 46

SOUTH ASIA

Afghanistan

Envoy Urges 'Emergency' Security Council Meeting *[Tehran International]* 48
Taleban Criticizes Indian Support, 'Interference' *[Islamabad Radio]* 48
Iranian Official Denies Plans To Build Airports *[THE MUSLIM 6 Dec]* 48
Coordination Council Reserves Decisionmaking Rights *[IRNA]* 49
Rabbani Forces Take Areas From Taleban in Lowgar *[Kabul Radio]* 49
    Further on Advance in Lowgar *[Tehran International]* 49

India

Delhi Seeking Hostage Release Through Dialogue *[Delhi Radio]* 50
Nuclear Tests by France, PRC Cause 'Dismay' *[Delhi Radio]* 50
Pakistan ISI Said Trying To 'Reescalate Terrorism' *[PUNJAB KESARI 25 Nov]* 50
Nine Injured in 'Powerful Bomb Blast' in Punjab *[Delhi Radio]* 51
Prime Minister Views March Toward Globalization *[Delhi TV]* 51
Finance Minister Discusses Exchange Rate of Rupee *[Delhi Radio]* 51
'Defense Experts' Urge Upgrade of Missile System *[Delhi Radio]* 52
Preparation Complete for Launch of Satellite *[Delhi TV]* 52
Navy Chief's Remarks on Submarines, Needs Reported *[THE TELEGRAPH 25 Nov]* 52
Increase in Capital Expenditure for New Ships *[THE TIMES OF INDIA 2 Dec]* 53

Iran

Dayton Accord Called 'Blot of Shame' for U.S. *[JOMHURI-YE ESLAMI 23 Nov]* 54
U.S. 'Plot' Blamed for UAE Stance on Gulf Islands *[SALAM 28 Nov]* 54
Radio Views Israel-Syria Peace Track, Golan Issue *[Tehran International]* 55

'Daily' Details PGCC 'Past Records' *[IRNA]* 55
Afghans Laud Nation's Peace Efforts *[IRNA]* 56
Khamene'i on Reform of Seminary Education System *[Tehran Radio]* 56
Rafsanjani Comments on Civil Servant Supervision *[Tehran Radio]* 56
Aqazadeh-Kho'i Opens Helicopter Service Complex *[IRNA]* 57
Bank To Give $100 Million to Central Asian States *[IRNA]* 57
Stabilization, Anti-Inflationary Policies Viewed *[SALAM 26 Sep]* 57
Draft Position Paper of Mojahedin of Islamic Revolution *['ASR-E MA 18 Oct]* 64
Gingrich Call for Covert Action Against Nation Viewed *[KAYHAN INTERNATIONAL 2 Nov]* 67
Qom Theological School's New Management Council Named *[KAYHAN INTERNATIONAL 5 Nov]* 67
Ganji Named Quetta Consul General *[KAYHAN INTERNATIONAL 6 Nov]* 68

Pakistan

Charge of 'Fomenting Trouble' With U.S. Rejected *[Islamabad Radio]* 68
Minister Hails Statement of U.S. Embassy Spokesman *[Islamabad Radio]* 68
Report Details Expulsion of French Organization *[Paris LIBERATION 2 Dec]* 68
  Editorial Applauds Expulsion *[NAWA-I-WAQT 5 Dec]* 69
Editorial Discusses Issue of Trade With India *[THE NEWS 6 Dec]* 69
President Leghari Calls National Economy 'Stable' *[Islamabad Radio]* 70
Adviser Says Policies Yielding 'Positive Results' *[Islamabad TV]* 70
Minister Asks Altaf Hussain To Prove Innocence *[Islamabad Radio]* 71
'Huge Quantity' of Arms Recovered in Karachi *[Islamabad Radio]* 71

Sri Lanka

President Addresses Nation, Calls For Unity *[Colombo International]* 71
  Offers Amnesty to 'Guerillas' *[AFP]* 71
Alliance Statement Supports Government Policies *[Colombo International]* 72
Jaffna Flag-Raising, Ongoing Operation Reported *[Colombo International]* 73
LTTE Launches Attack After Jaffna Capture *[AFP]* 74
Tamil Party Leader Views Devolution *[SUNDAY OBSERVER 3 Dec]* 74

Inter-Arab Affairs

'Abd-al-Majid: Dire Need To Upgrade Performance

NC0512142095 Cairo MENA in English
1330 GMT 5 Dec 95

[FBIS Transcribed Text] Cairo, Dec 5 (MENA)—There is dire need to upgrade the performance of the Arab League general secretariat in order to cope with the current developments and events, Arab League Secretary General Dr. 'Ismat 'Abd-al-Majid said in a speech delivered at the inauguration of the Arab League [Council] emergency session held here today at the permanent delegates level.

The session deals with recommendations passed by the League's permanent committee for financial and administrative affairs with regard to the secretariat's systems.

The Arab League secretariat has been endeavouring to modernise its administrative system since 1982, Dr. 'Abd-al-Majid said.

The secretary general said his contacts with the UN-affiliated agencies and various Arab bodies have yielded an agreement with the UN Development Programme in 1987 to implement a comprehensive administrative development plan of the Arab League secretariat.

The Arab League financial and administrative committee, at its last meeting, recommended that the restructuring of the League's secretariat be postponed, he said.

The Arab League has been pursuing cooperation with the United Nations over the past five years in order to carry out the reform plan, he said.

League's Structural System To Stay 'Untouched'

NC0512155395 Cairo MENA in English
1525 GMT 5 Dec 95

[FBIS Transcribed Text] Cairo, Dec 5 (MENA)—The Arab League Council today decided to keep the structural system of the League's secretariat untouched for the time being.

At the end of the Council's emergency session, held at the level of permanent delegates, the delegates decided to continue mechanisation measures which are part of the administrative development plan of the League's secretariat.

The council approved the draft statute of employees, prepared by the League's financial and administrative committee.

Palestinian Affairs

'Arafat Confirms Upcoming Meeting With Peres

JN0512151795 Jericho Voice of Palestine in Arabic
1400 GMT 5 Dec 95

[FBIS Translated Text] President Yasir 'Arafat has confirmed that he will meet with Israeli prime minister at the Presidency headquarters, in Gaza city, next Friday. The meeting will be the first since Peres assumed the premiership.

President 'Arafat said that he hoped Peres and his government would continue the peace process.

Speaking to journalists, President 'Arafat said that former Israeli Prime Minister Yitzhaq Rabin's assassination 30 days ago is not only a loss for the peace process, but also for the Israeli people.

Sha'th Receives U.S. Message on Donors Meeting

JN0512210895 Jericho Voice of Palestine in Arabic
1900 GMT 5 Dec 95

[FBIS Translated Text] Dr. Nabil Sha'th, minister of planning and international cooperation, has received a message from U.S. Secretary of State Warren Christopher.

In the message, Christopher explained why the ministerial meeting of the donor states on extending aid to the Palestinian people was postponed until 9 January. The meeting was scheduled for 9 December.

U.S. Consul-General Edward Abington handed the message to Dr. Sha'th during their meeting in Gaza today. Sha'th regretted this postponement. He said: Taking into account that the meeting's original date coincided with a special meeting on the Bosnian issue, what concerns us now is to come up with results which will satisfy the Palestinian people.

Sha'th added that he and Abington agreed to contact all concerned states to emphasize the new date of the meeting and stress that we have specific obligations totaling $550 million. He said that Abington informed him of his country's intention to pay $50 million before the end of this month.

Kanafani Cited on Upcoming Election Procedures

JN0512163695 Jericho Voice of Palestine in Arabic
1400 GMT 5 Dec 95

[FBIS Translated Text] Marwan Kanafani, President Yasir 'Arafat's adviser and spokesman, has said that each candidate running for membership of the legislative council should collect the signatures of 500 Palestinian citizens who support his election. He said the competent election commission will distribute lists of voters through the electoral offices. All candidates should receive these lists from the electoral offices. Any lists received elsewhere will not be recognized.

'Abbas on Charter Amendment, Refugees, Gulf Ties

NC0612120795 Cairo MENA in Arabic 0930 GMT 6 Dec 95

[FBIS Translated Text] Cairo, 6 Dec (MENA) — PLO Executive Committee member Mahmud 'Abbas, alias Abu-Mazin, has praised Egypt's position on the peace process. He said that being close to all the parties, Egypt is unilaterally establishing coordination, because collective coordination is impossible. It is also unilaterally playing an important role with everyone until the circumstances are right for restoring collective coordination, he added.

In an interview with AL-AHRAM today, Abu-Mazin said the PLO will amend the Palestinian National Charter at the appropriate time, when the circumstances permit. He asserted that the Palestinian leadership has not backed down on its pledge to amend the Charter, according to the commitment between the PLO and Israel stipulating that the amendment should be made through the Palestine National Council.

Abu-Mazin said the PLO will pursue the negotiations with Israel in the final phase and that he will supervise these negotiations.

He emphasized that the Palestinian refugees issue is a sensitive and important issue for the Palestinians. He added that it will top the agenda of the final phase negotiations because it involves the fate of 3 million Palestinians. It is at the heart of Palestinian sentiments, and preparations are being made now to reach a solution that satisfies these refugees, he noted.

Commenting on Palestinian-Gulf relations, Mahmud 'Abbas said ties with most of the Gulf states are improving and are better than they were two years ago. Regarding ties with Kuwait, he said there is some stagnation and clouds that we hope will disappear.

As for Israeli settlements in the Palestinian territories, Abu-Mazin stressed the need to remove them and emphasized that this situation cannot continue.

'Urayqat Criticizes Peres Statements on Jerusalem

JN0612074795 Jericho Voice of Palestine in Arabic 0600 GMT 6 Dec 95

[FBIS Translated Text] Local Government Minister Sa'ib 'Urayqat has criticized Israeli Prime Minister Shim'on Peres' statements on Jerusalem. He said Peres realizes that Jerusalem is the first issue on the agenda of the final status negotiations, which will begin in less than six months. 'Urayqat said East Jerusalem is an occupied land, and that there will be no peace without the return of Jerusalem to Palestinian sovereignty.

Peres had earlier claimed that there will in no way be any settlement on Jerusalem, and that Jerusalem can never be partitioned.

Information Ministry Reacts to UN Resolution

JN0512212495 Jericho Voice of Palestine in Arabic 1900 GMT 5 Dec 95

[FBIS Translated Text] The Palestinian Information Ministry has called on the Peres government to respect the international will and stop all measures to Judaize Jerusalem.

This was the Ministry's reaction to the UN General Assembly resolution rejecting the Israeli measures toward the annexation of Jerusalem. The Information Ministry said that this resolution requires Israel to fulfill its pledges and honor the agreements it signed with the PLO. These agreements provide for discussing the destiny of Jerusalem in the final phase of the peace negotiations.

The Information Ministry added that this resolution is a firm reply to the U.S. Congress decision to transfer the U.S. Embassy from Tel Aviv to Jerusalem.

Israel Preparing To Turn Over Tulkarm, Bethlehem

JN0512213495 Jericho Voice of Palestine in Arabic 1900 GMT 5 Dec 95

[FBIS Translated Text] The Israeli Civil Administration in Tulkarm is preparing to evacuate its offices as of tomorrow morning and hand them over to the National Authority [NA] the day after tomorrow, Thursday. The occupation soldiers have removed all the signboards of departments and the main Civil Administration office.

Yesterday, an agreement was reached on transferring powers in the areas of religion, natural reserves, and survey. These areas are to be taken over on 9 December.

In another development, a third 10-man team of Palestinian National Security Forces arrived in the city of Tulkarm last night and took over the Liaison and Coordination Office in order to deploy in the city next Sunday. Fifty officers and soldiers have arrived in Tulkarm since 19 November.

Thirty-eight officers also arrived in Bethlehem this morning to join the Liaison Committee, which arrived in the city early this month. This committee will coordinate with the Israeli side to enable the NA to take over the city of Bethlehem on 18 December before the glorious Christmas and new year celebrations.

Palestinian Passports Allowed at Crossings, Airport

JN0512201995 Jericho Voice of Palestine in Arabic 1900 GMT 5 Dec 95

[FBIS Translated Text] Jamil al-Tarifi, civilian affairs minister and head of the Palestinian side in the Higher Civilian Coordination Committee, has stated that as of tomorrow, Wednesday, citizens can use Palestinian passports to travel through crossings and the airport.

He appealed to the citizens to go to the Palestinian Interior Ministry offices, each in his area, to obtain Palestinian passports. He added that the bridge crossing would be open to travelers from 0800-1500 on Fridays and Saturdays, and that as of 20 December, the bridges and crossings would be open to travelers from 0800-2400 throughout the week except on Friday and Saturday, when the working hours will end by 1500.

Jihad Organ Reports Mosad Hit List of Islamic Figures

TA0512160295 Gaza AL-ISTIQLAL in Arabic 1 Dec 95 p 2

[FBIS Translated Text] Jerusalem, Agencies — Information from reliable sources indicates that since February 1995 and in the wake of the escalation in jihad operations in Bet Lid, Tel Aviv, and Jerusalem, the Israeli Mosad drew up an assassination list containing the names of Islamic leaders from Hamas [Islamic Resistance Movement], Islamic Jihad, and the Lebanese Hizballah.

Informed sources in the self-rule authority said that this list was approved by the Israeli Inner Cabinet as well as by then Prime Minister Yitzhaq Rabin. The Mosad was allowed to determine the timing according to the circumstances. As for the location, it was noted that it would be best outside the Arab homeland, with the exception of Palestine and Lebanon.

The sources added that the most suitable places for such physical liquidations are Malta, Cyprus, and Greece in addition to Palestine and Lebanon.

The list of those from Hizballah to be assassinated includes Hasan Nasrallah, Shaykh Na'im al-Qasim, deputy Muhammad Ra'd, Shaykh Subhi al-Tufayli, Hajj 'Abd-al-Hadi Hamadah, and 'Imad Maghniyah.

Arab-Israeli Talks

Al-Asad Reportedly Rejects Peres Peace Proposal

TA0612105795 Tel Aviv HATZOFE in Hebrew 6 Dec 95 p 1

[FBIS Translated Excerpt] There has not been a breakthrough in Israel's negotiations with Syria, it was learned last night with the return of U.S. envoy Dennis Ross from Damascus to Jerusalem. Ross conferred in Damascus with President Hafiz al-Asad. He heard from him once again that Syria has made a decision in principle for peace, but that it is still not clear what sort of peace it is prepared for and how to reach it.

Russian Deputy Foreign Minister Viktor Posuvalyuk returned from Damascus yesterday and conferred with Minister Yosi Beilin, reporting to him that he found in al-Asad a readiness to make peace.

Ross met yesterday with Prime Minister Shim'on Peres and reported to him on the Damascus talks.

Peres gave Ross a number of proposals to renew the negotiations, which are:

— a summit meeting between Peres and al-Asad;
— an Israeli-Syrian-American joint command to manage the peace talks in Cyprus;
— continuous negotiations at an accelerated pace;
— completing the negotiations toward the end of next spring;
— parallel discussions on a number of issues, including security arrangements and normalization; and
— raising the level of negotiations to foreign ministers or senior officials.

Al-Asad rejected all the suggestions, demanding an a priori Israeli commitment to withdraw from the Golan Heights. That is the reason for the impasse.

President al-Asad stressed "the importance of advancing the peace process" along the Israeli-Syrian track in his meeting yesterday with Ross, official Syrian sources said last night. [passage omitted]

Uri Savir, coordinator of the peace talks, said before Ross' departure for Damascus: "There is curiosity, but I would not say that there are any great expectations at this stage. I think there is a thinking process here, a kind of reassessment by both sides. This is a healthy process which sometimes takes time."

Savir added that in his view "things would become clearer" only after the prime minister's meeting with President Bill Clinton in Washington next week.

Steering Committee Discusses Redeployment, Prisoners

TA0512164395 Jerusalem Qol Yisra'el in Hebrew 1500 GMT 5 Dec 95

[FBIS Translated Text] The Supreme Steering Committee, which monitors the implementation of the interim accord, ended its session in Jerusalem a short time ago. The participants dealt with the IDF [Israel Defense Forces] redeployment, prisoner releases, learning lessons from the kidnapping of the border policemen in Janin, and the establishment of industrial parks in the territories. The Palestinians requested that the prisoners be released by 21 December. Uri Savir, the head of the Israeli delegation, said that another forum should deal with the release of prisoners.

Quray' Comments on Meeting

JN0512154395 Jericho Voice of Palestine in Arabic 1400 GMT 5 Dec 95

[FBIS Translated Text] Following their meeting within the framework of the Joint Higher Palestinian-Israeli Steering and Supervision Committee this afternoon, the Palestinian and Israeli sides have expressed satisfaction with the progress of redeployment despite the recent Janin incident.

Ahmad Quray', also known as Abu-'Ala', head of the Palestinian side to the meeting, has said that the Janin incident was addressed through a new policy and in a new way, thus creating an Israeli feeling that punishment is not the remedy for problems and that a solution lies in mutual understanding and discussion of problems. He was referring to the military siege which Israel imposed on Janin following the incident.

Quray' added that this meeting complemented three previous meetings and basically aimed to follow up on implementing the issues listed on the committee's agenda.

In today's meeting, the committee discussed the redeployment, the security arrangements, the detainee issue, the transfer of civil powers, elections, and cooperation, particularly economic cooperation. It also discussed the safe passage, the establishment of industrial zones, and secondary issues.

Egypt

AL-AHRAM Views Ross Tour, Israel's 'Intentions'

NC0612094695 Cairo MENA in Arabic 0605 GMT 6 Dec 95

[FBIS Translated Text] Cairo, 6 Dec (MENA) — AL-AHRAM says the tour by the U.S. coordinator of the Middle East peace process, Dennis Ross, of Egypt, Syria, Israel, and Palestine is an exploratory mission ahead of Israeli Prime Minister Shim'on Peres' trip to Washington on Friday [8 December]. It also precedes U.S. Secretary of State Warren Christopher's expected visit to the region to stimulate the Syrian-Israeli track, it adds.

In its editorial today, the paper says the tour follows positive developments on the Syrian-Israeli track in terms of messages exchanged through the media, beginning with the Israeli prime minister's call on Syrian President Hafiz al-Asad to reach a comprehensive peace deal.

The paper emphasizes that the chances for the intentions becoming a tangible reality primarily depend on Israeli Government sincerity on these intentions. They also depend on the Israeli Government stopping raising contentious issues, which Israel knows will prompt Syrian reservations over a serious move toward a comprehensive settlement.

The paper notes that Ross' current tour of the region and Peres' visit to Washington will reveal how sincere the Israeli Government is about a settlement with Syria.

Cairo Moves To Upgrade Ties With Iraq

MM0512122495 London AL-HAYAH in Arabic 5 Dec 95 pp 1, 6

[Report by Muhammad 'Allam: "Cairo Moving Toward Upgrading Diplomatic Representation in Baghdad"]

[FBIS Translated Text] Cairo — AL-HAYAH learned yesterday that Cairo is in the process of taking steps toward normalizing relations with Baghdad, and that it is currently assessing Iraqi policy at the Arab and international levels with regard to the implementation of the Security Council resolutions.

Cairo has decided to open the Egyptian trade center in Baghdad early next year. It was closed in 1991. The staff of the interests office in Iraq is expected to be increased, and diplomatic representation is expected to be upgraded. Egyptian workers are also returning to Iraq. Their number dropped from some 2 million prior to August 1990 to 200,000 now.

The Egyptian political leadership recently allowed the Federation of Chambers of Commerce and the Industries Federation to participate in exhibitions organized in Baghdad and to set up Egyptian exhibitions there.

Economic and trade officials (public and private sectors) will begin to visit Baghdad, now that government officials and businessmen have been given the go-ahead to visit Iraq in accordance with Cairo's tendency to focus on economic cooperation within a framework allowed under the international resolutions at this stage.

A high-ranking Egyptian diplomat told AL-HAYAH that the Egyptian steps are attributable "to the failure of any collective Arab move toward reconciliation. It is also because Egypt believes that alleviating the Iraqi people's suffering is an Arab, not just Iraqi, responsibility requiring a move compatible with Egypt's regional role."

The diplomat said that President Husni Mubarak and Foreign Minister 'Amr Musa have reiterated their call "for finding a way to help the Iraqi people and a formula for achieving achieve Arab reconciliation." He pointed out that Egypt addressed the following question to Arab states: "If President Saddam Husayn continues in power for another 10 years, will the suffering and political losses continue as a result of Iraq's absence?" He added: "Iraq has paid the price for its aggression on Kuwait, and others are now paying a price for Iraq's absence. The [Iraqi] president is not Iraq."

As is known, Mubarak announced in February 1993 that the restoration of relations with Baghdad was "a matter of time." Egypt has noticed "a change" in the Iraqi media rhetoric toward it since the visit to Cairo last July by Iraqi Foreign Minister Muhammad Sa'id al-Sahhaf, who met with Minister Musa. The Egyptian media has since General Husayn Kamil's defection to Jordan in August focused on calls for ending the suffering and achieving reconciliation.

An Egyptian trade delegation visited Baghdad early this month [as published] for the first time since the Gulf war. The delegation signed trade exchange agreements with the Iraqi side — the first direct dealings without a third party (Jordan), even though Egyptian exports will pass through Jordanian territory, on the grounds that that is the only (land) route open to Iraq.

The volume of trade exchange between Cairo and Baghdad at present totals $700,000 dollars, which includes $500,000 dollars for Iraqi exports to Egypt.

Iran's 'Crimes' in Name of Islam Criticized

NC0512202395 Cairo AL-AKHBAR in Arabic 28 Nov 95 p 2

[Article by Jalal Duwaydar: "How many crimes are committed in the name of our great Islam"]

[FBIS Translated Text] Islam is not a religion of killing and shedding blood. Nor does it advocate threats, blackmail, tyranny, and aggression against the security and stability of nations and countries.

It is the religion of right and equality and its principles are based on human and moral values, justice, tolerance, consideration for the rights of Muslim and non-Muslim brothers and support for repelling aggression against them if they are subjected to injustice.

According to the Holy Koran, God's punishment will be severe for those who deviate from these principles and values and who exploit this great religion to commit wrongdoings and idiocies of which Islam is innocent.

When we see the behavior of this group of people who commit aggression in violation of the teachings of this true religion, falsely claiming that they are defending it, we can only say: "How many crimes are committed in the name of our great Islam."

The state of Iran and its mullahs sitting on the peacock throne in Tehran have become the main base and symbol of the aggressive propensities that are rejected by Islam. They are trying to deceive the world that they are the propagators of Islam while really being nothing but a burden on it. They are giving Islam's enemies all the means and tools for defaming it.

They are behind terrorism. They incite, support, and supply funds and weapons hoping that this will help them achieve their sick ideas of imposing hegemony and control over the states and peoples of the nation of Islam which are sincere and loyal to their religion. These mullahs want to settle old accounts that go back to the dawn of Islam.

Iran's rulers are not only talking about what they are seeking but translated this into deeds when they seized by force the three United Arab Emirates [UAE] islands of Abu Musa, Tunb al-Kubra, and Tunb al-Sughra.

The talks in Qatar between Iran and the UAE to resolve their conflict revealed the continued contradictions between words and deeds and the insistence on aggression and occupation of the Arab islands. The role assigned in this farce to Iranian President Rafsanjani focused on the call to hold more talks with the Muslim UAE state until the conflict over these islands is resolved peacefully. He claimed that this will be done for the sake of Islam, underlining the word Islam, and the interests of the region. At the same time and according to the assigned roles that confirm his noncredibility, responsible Iranian sources asserted that the islands of Tunb al-Kubra and Tunb al-Sughra are an indivisible part of Iran and are not subject to negotiations.

What peaceful settlement is Rafsanjani talking about and which Islam allows the state of the mullahs to seize the territories of the Muslim UAE state by force and aggression?

The Iranian officials' statements confirm that the talks in Qatar ended without results. This proves that the aim behind the talks was only to waste time in order to impose the fait accompli. Evidence of this truth is the Iranian delegation's refusal to discuss the four points presented by the UAE delegation concerning ending Iranian occupation of Tunb al-Kubra and Tunb al-Sughra, compliance with the memorandum of understanding concluded in 1972 on the Abu Musa island, and the repeal of any measures taken by Iran that violate its clauses.

The points also underlined the need to resolve the question of sovereignty over the Abu Musa island and to refer the conflict over the three islands to the International Court of Justice [ICJ] if serious negotiations show an agreement on a solution within the framework of these four points within a period of time.

But because Iran knows quite well that it has no right to the islands it has seized, it is refusing in advance to go to the ICJ because it knows beforehand that the court will come out on the side of right and justice and because the issue cannot be referred to the ICJ without the two parties' consent. Therefore it was natural for it to reject the UAE demand so as to avoid being convicted of seizing and occupying the islands.

Tehran is thus daily proving its insistence on aggression and on spreading anxiety and troubles not only in the Gulf region but all across the Islamic nation. Yet its leaders are trying to deceive us by talking about their desire to establish good relations and to let security and stability prevail according to the principles of Islam, while they continue to commit and support all the crimes that are rejected by Islam.

Musa Assails 'Double Standards' by New World Order

NC0612084995 Cairo MENA in Arabic 0600 GMT 6 Dec 95

[FBIS Translated Text] Cairo, 6 Dec (MENA) — Egyptian Foreign Minister 'Amr Musa has stated that Egypt's role in the Security Council will focus on defending the causes of Arabs, Africa, the Islamic world, and developing countries.

In an interview with the French-language AL-AHRAM HEBDO today, Musa said the expansion of the Security Council should cover new regional powers that have influence in their regions.

Musa criticized the new world order's practice of using double standards.

Reportage on Parliamentary Runoff Elections

Al-Alfi Vows To Maintain Order

NC0512193095 Cairo MENA in Arabic 1810 GMT 5 Dec 95

[FBIS Translated Excerpt] Cairo, 5 Dec (MENA) — Interior Minister Hasan al-Alfi has affirmed that the security agencies are committed to implementing the law in the face of any attempt by candidates, voters, or policemen to break the law and challenge public order. He pointed out that the Interior Ministry has nothing to do with the elections and that its role is confined to maintaining security and order and protecting voters and candidates.

In a meeting with police inspectors responsible for following up the elections throughout the country, the interior minister emphasized the need to implement previous instructions that ban security forces from entering polling stations except at the request of the head of the stations or in cases of extreme urgency. [passage omitted]

The interior minister stressed that the false allegations published by some opposition papers against the honest security men seek to justify the opposition's performance in the first round of elections held on Wednesday [29 November]. Al-Alfi added that the police are doing their national duty to safeguard Egypt's security and stability at this important time in our history. He stressed that the Interior Ministry is not prepared to accept such allegations. The security services, he added, will continue to play their role of protecting voters and candidates regardless of their partisan affiliations, so that the elections may reflect voters' desire to choose their representatives in the new People's Assembly.

In another development, al-Alfi emphasized that the recent accusations by National Democratic Party candidate 'Adil Sidqi, brother of Prime Minister Dr. 'Adil Sidqi, regarding excesses during the first round of elections that put him out of the running are considered libel against the state agencies and an abuse of political and partisan practices. He added that whoever has documents should submit them to the Interior Ministry, which will immediately look into them. He stressed that one-upmanship and rhetoric are completely rejected and will be dealt with very firmly. He added that legal action will be taken against those engaged in such actions to protect Egypt's reputation from attempts to divide Egypt by people who have no sense of responsibility and only care about their personal interests. He said they place their interests above those of the homeland, which is both legally and morally wrong.

In a statement issued today, the Interior Ministry gave the final count of constituencies where run-off elections will be held tomorrow after having conducted a thorough review. The statement noted that 612 candidates will compete in 174 constituencies for the run-off elections.

Court Order Suspends Election Results

NC0612063895 Cairo MENA in English 2350 GMT 5 Dec 95

[FBIS Transcribed Text] Cairo, 5 Dec (MENA) — The Administrative Court at the State Council issued a ruling after midnight suspending election results for 19 constituencies upon complaints contending the results. The results were declared by the interior minister on Friday [1 December].

Court Order Challenged

NC0512210995 Cairo MENA in Arabic 2022 GMT 5 Dec 95

[FBIS Translated Text] Ismailia, 5 Dec (MENA) — A responsible source at the State Lawsuits Authority has stated that a government lawyer today filed an urgent lawsuit challenging the Ismailia Administrative Judicial Court's order suspending the implementation of the interior minister's decision announcing the election results in some constituencies in al-Sharqiyah, Ismailia, al-Suways, and Port Said. The government lawyer filed a similar lawsuit challenging the same court order at the Higher Administrative Court in Cairo.

MENA has learned that suspending the interior minister's decision on the election results does not mean the annulment of the elections. The government's lawsuit seeks to suspend the implementation of the court order, MENA learned.

The Administrative Judicial Court in Ismailia today suspended the interior minister's decision announcing the election results in the following constituencies:

Al-Suways Governorate: Al-Suways and al-Janayin constituencies.
Port Said Governorate: Al-'Arab Constituency.
Al-Sharqiyah Governorate: Bilbays, Qallin, Mashtul al-Suq, Diyarb Najm, Abu Hammad, and Abu Kabir constituencies.

Runoff Elections Begin

NC0612091395 Cairo Arab Republic of Egypt Radio Network in Arabic 0800 GMT 6 Dec 95

[FBIS Translated Text] Heated runoff elections for the People's Assembly began at 0800 today. The runoffs are being held for the first time in all the governorates in Egypt, except al-Matruh Governorate, where a result was achieved in the first round.

Electoral committee headquarters were opened in 174 constituencies, where voting will continue until 1700 today. Some 612 candidates, including 320 independent candidates, 255 from the National Democratic Party [NDP], 14 from the al-Wafd Party, nine from the Labor Party, seven from the National Progressive Unionist Grouping, five from the Nasirite party, and three from the Liberal Party, are competing for 306 seats.

Various measures have been taken and security directorates in the governorates where runoff elections are being held have taken intense security precautions against any excesses by candidates' supporters in view of the heated competition in this decisive round.

Opposition Supporters Arrested

NC0512155095 Paris AFP in English 1517 GMT 5 Dec 95

[FBIS Transcribed Text] Cairo, Dec 5 (AFP) — Some 300 campaign workers for opposition parties have been arrested in the days leading up to run-off legislative elections in Egypt set for Wednesday [6 December], police and party sources said Tuesday.

In Cairo, around 140 have been arrested since the first round of elections last Wednesday, including 58 supporters of the Moslem Brotherhood and 10 of the liberal Wafd party, police said. Most of those arrested had been picked by candidates to serve as observers in polling stations to prevent vote rigging.

In the northern Nile Delta, 80 followers of various Brotherhood candidates have also been arrested, police said.

The Nasserist party said in a statement Tuesday that 72 of its poll observers had been arrested in Kafr al-Shaykh province in the Delta, and 10 others in Bani Suwayf, south of Cairo. These arrests, most of them made during dawn raids on Tuesday, "prove the government intention to continue the electoral fraud by providing the opportunity to stuff ballot boxes," the party said.

The Brotherhood also said Tuesday that 700 of nearly 2,000 of its supporters arrested before the first round voting were still in prison.

Opposition parties have cried fraud after the ruling National Democratic party [NDP] swept the first round of voting, taking 123 out of 137 decided seats. Independents, mostly former NDP members, took the remaining 14.

The U.S. State Department urged Egypt on Monday to look into charges of vote fraud, saying that if proven they would be "in direct contradiction" to assurances by President Husni Mubarak.

Wafd Party Candidate Shot

NC0512164595 Cairo MENA in Arabic 1620 GMT 5 Dec 95

[FBIS Translated Text] Cairo, 5 Dec (MENA) — Journalist Ayman Nur, the Wafd Party candidate in the People's Assembly's runoff election, has been shot by an unidentified person during a campaign rally with his supporters in the constituency of Bab al-Sha'riyah.

Security sources in the Cairo Security Directorate have said that the wounded candidate was taken to the al-Salam International Hospital for treatment. A team of detectives has been set up to determine and apprehend the attacker.

The prosecution has been notified to start an investigation.

NDP Candidate Supporter Shot Dead

NC0612122795 Cairo MENA in Arabic 1200 GMT 6 Dec 95

[FBIS Translated Text] Cairo, 6 Dec (MENA) — One of the constituencies in the Dahshur area, al-Jizah Governorate, was today the scene of a shooting incident in which a citizen was killed.

A security source has stated that several individuals this morning fired on supporters of ruling National Democratic Party [NDP] candidate 'Abduh 'Abd-al-'Aziz Khalifah in front of the Munsha'at Dahshur School, Markaz al-Badrashin. Citizen Ahmad Abu-Talib was wounded and died on arrival at the hospital.

According to the source, the perpetrators, who fled, were in a microbus taxi bearing Cairo license plates.

The police are investigating.

Opposition Expected To Emerge Weaker After Elections

NC0512122495 Paris AFP in English 1206 GMT 5 Dec 95

[Report by Lee Keath]

[FBIS Transcribed Text] Cairo, Dec 5 (AFP) — Opposition parties are hoping a run-off legislative vote on Wednesday [5 December] will give them a toehold in a parliament which is expected to be the weakest since multi-party elections began in Egypt in 1979.

Experts and candidates predicted on Tuesday that little more than a dozen opposition members would win seats in the 454-member parliament after the ruling National Democratic Party [NDP] swept a first round of voting last week.

Such a result would mean an even weaker opposition showing than in the 1990 vote, boycotted by virtually all opposition parties but in which anti-NDP candidates still won six percent of the parliament seats.

A total 307 seats are up for grabs in Wednesday's run-off, in which 66 opposition candidates, including the Muslim Brotherhood, are running.

The opposition failed to win a single race in the first round last Wednesday which was plagued by claims of widespread vote fraud by the government to squeeze out its rivals.

NDP candidates picked up 123 out of 137 decided seats. Independents, mostly former NDP members, won the remaining 14.

Ten seats in the People's Assembly are appointed by the chief of state.

"There will be a few from the opposition parties, maybe 15 total, who will win," Muhammad Sayyid Sa'id, an expert from the Al-Ahram Center for Political Studies, told AFP.

"But the Muslim Brotherhood, which was the main target of fraud in the first vote, may not be allowed to take a single seat," he said.

The Islamic bloc has 36 hopefuls in the run-off, including 27 from the Brotherhood, with the remainder from its Labor and Liberal party allies.

"The number we win depends entirely on how much the government rigs the vote. We are the most powerful opposition, but what happened in the first round will continue," Brotherhood spokesman Ma'mun al-Hudaybi said.

"Police continue to arrest our campaign workers. There are at least 700 Brotherhood supporters still in prison from the past week," he said.

Police arrested 18 followers of the Brotherhood's strongest remaining candidate, Mukhtar Nuh, on Monday. Nearly 2,000 were detained in the days preceding the first round poll.

The U.S. State Department urged Egypt on Monday to look into charges of vote fraud, saying that if proven they would be "in direct contradiction" to assurances by President Husni Mubarak.

Violence in Wednesday's vote left 17 dead and over 60 injured, the interior ministry said, adding that it was gearing to face further clashes between rival candidates in the run-off.

While Brotherhood leaders were knocked out in the first round, leaders of the main secular parties survived and were expected to take seats in the run-off.

"I expect at least half our (18) candidates to win," Yasin Siraj-al-Din, the leading candidate for the liberal Wafd party said.

"But in the resulting parliament, opposition will be even weaker than the preceding one," Siraj-al-Din admitted.

Al-Hudaybi agreed, saying: "Parliament is finished."

"The upcoming People's Assembly will certainly be the worst and weakest ever," Yasir 'Abd-al-Raziq, an expert with the Legal Center for Human Rights, an independent Egyptian rights group, said.

In 1987, the opposition held over 20 percent of the seats, up from 13 percent from 1984. In 1979, the first multi-party vote, the opposition gained 10 percent of the house.

"The era of multi-party democracy seems to be over for the time being in Egypt," Said from the Al-Ahram Center said.

"The government will now be able to push through more legislation to restrict rights," Sa'id predicted, citing a press law passed last May despite journalists' cries that it would be used to muffle criticism of the state.

GCC Foreign Ministers Hold Sideline Meeting

LD0512174195 Riyadh SPA in Arabic 0731 GMT 5 Dec 95

[FBIS Translated Text] Muscat, 5 Dec (SPA) — Their highnesses and excellencies the foreign ministers of the states of the Gulf Cooperation Council [GCC] held a meeting this morning in al-Bustan Palace Hotel to coordinate efforts on a number of issues and matters of concern to the political, economic, social, and security march of the council.

This meeting took place on the sidelines of the meetings of the Supreme Council of the leaders of the GCC states.

[Riyadh SPA in Arabic at 0925 GMT on 5 December in a Muscat datelined item reports the following: "Their highnesses and excellencies the foreign ministers of the GCC states nave concluded their meeting that began this morning in al-Bustan Palace Hotel on the sidelines of the 16th GCC summit.

["In the meeting they coordinated efforts on a number of political, economic, social, and security issues of concern to the council's march. They also discussed the new issues on the summit's agenda and the final draft of the summit's final communique."]

Comment on Deliberations

JN0512205495 Muscat Sultanate of Oman Television Network in Arabic 1800 GMT 5 Dec 95

[Announcer-read report over video]

[FBIS Translated Text] The foreign ministers of the Gulf Cooperation Council [GCC] states this evening concluded a closed meeting. During the meeting, which was chaired by His Excellency Yusuf Bin-'Alawi Bin-'Abdallah, Omani state minister for foreign affairs, the foreign ministers discussed the most significant issues proposed on the sidelines of the summit.

The GCC states' foreign ministers held a meeting this morning on the sidelines of the 16th GCC summit at the Bustan Palace hotel. They coordinated on a number of political, economic, security, and social issues that are of interest to the council members, and discussed new topics on the summit agenda and the drafting of the summit's final statement.

Following the meeting, their Excellencies Yusuf Bin-'Alawi Bin- 'Abdallah, state minister for foreign affairs, and GCC Secretary General Dr. Fahim Bin-Sultan al-Qasimi made the following remarks to the press:

[Begin recording] [Bin-'Alawi] As I mentioned before, this (?evening) is devoted to special consultations among their majesties and their highnesses. I have nothing to say before we see the results of these special talks among the leaders.

[Unidentified correspondent] In your opinion Your Excellency, are there any points which have not yet been threshed out?

[Bin-'Alawi] I believe that all matters were finalized in this meeting.

[Correspondent] What is the outcome of the ministerial council meetings which were held this evening at the foreign ministers' level?

[Al-Qasimi] The meetings reached a very good level. The foreign ministers are now preparing the resolutions which will be presented to their majesties and their highnesses tomorrow morning, God willing. The foreign ministers are also studying and putting the final touches to the summit's final statement.

[Correspondent] Your Excellency Secretary General, why, in your opinion, is there so much interest in the Muscat summit?

[Al-Qasimi] The Muscat summit is very important. It comes at a significant time when GCC states should stand as one bloc to keep pace with the various economic blocs and groups. This summit is important because we are facing great challenges in the area of development. Thank God, our leaders have come to grips with these challenges and are determined to confront them and find solutions that enable this region to play an influential role in the future. [end recording]

Hold Second Meeting, Review Communique

JN0612121395 Manama WAKH in Arabic 1110 GMT 6 Dec 95

[FBIS Translated Text] Muscat, 6 Dec (WAKH) — The foreign ministers of the Gulf Cooperation Council [GCC] states held a second meeting in Muscat this afternoon under Yusuf Bin-'Alawi 'Abdallah, Omani minister of state for foreign affairs.

The minister will make a final review of the final communique which will be read out in the closing session which their majesties and highnesses, the GCC leaders, will hold later in the day.

GCC Leaders Continue Deliberations in Muscat

Hold Second Session

JN0512183195 Muscat Radio Oman Network in Arabic 1600 GMT 5 Dec 95

[FBIS Translated Text] Their majesties and their highnesses the leaders of the Gulf Cooperation Council

[GCC] states held their second session at the Bustan Palace Hotel this evening, chaired by his Majesty Sultan Qabus Bin-Sa'id, chairman of the 16th session of the GCC Higher Council. The GCC leaders will discuss issues proposed by the ministerial committees as well as other issues on the agenda. They will also discuss the most significant developments in the Arab and international arenas and issues concerning GCC member states.

A press statement issued by the 16th GCC summit chairmanship this evening, said that their majesties and highnesses today held expanded bilateral consultations on a number of pending issues, particularly related to the GCC economic drive as well as some regional and international political issues. The press statement added that the outcome of these bilateral consultations is expected to constitute a significant factor in the multilateral consultations which will be held this evening.

Prepare for Closed Third Session

JN0612070095 Muscat Radio Oman Network in Arabic 0600 GMT 6 Dec 95

[FBIS Translated Text] Their majesties and highnesses the leaders of the Gulf Cooperation Council [GCC] states will end their three-day 16th summit at the Bustan Palace Hotel today.

The GCC leaders will hold a third closed working session under the chairmanship of His Majesty Sultan Qabus Bin-Sa'id. The closed session will be followed by a public session in which the final statement of the summit will be read.

The GCC leaders concluded their second closed working session yesterday evening chaired by His Majesty Sultan Qabus, chairman of the 16th session of the GCC Supreme Council. The session was held at the Bustan Palace Hotel. The GCC leaders discussed the issues proposed by the ministerial committees and the topics on their agenda. They also discussed the most important Arab and international developments and issues of concern to the GCC member states.

Hold Closed Session in Qabus' Suite

JN0612121095 Manama WAKH in Arabic 1115 GMT 6 Dec 95

[FBIS Translated Text] Muscat, 6 Dec (WAKH)—Their majesties and highnesses the leaders of the Gulf Cooperation Council [GCC] states held a third working closed session at the suite of Sultan Qabus in the Bustan Palace Hotel in Muscat this afternoon under the chairmanship of Sultan Qabus, chairman of the current GCC session. The GCC leaders will be briefed on the final statement, which will be read at the closing session later on today.

Said in Agreement on Facing 'Challenges'

JN0612074995 Muscat Radio Oman Network in Arabic 0700 GMT 6 Dec 95

[FBIS Translated Text] Their majesties and highnesses the leaders of the Gulf Cooperation Council [GCC] states will end their 16th summit at the Bustan Palace Hotel today under the chairmanship of His Majesty Sultan Qabus Bin-Sa'id following three days of meetings, consultations, and bilateral meetings.

Informed sources said that the final statement of the Muscat summit contains many important decisions which will reinforce the GCC joint action to serve the interests of the people of the regional states. The sources added that the leaders of the Muscat summit are in full agreement on the need to face the challenges facing our Gulf region. The GCC leaders agreed to strengthen Gulf joint action in all fields.

Draft 'Tough' Final Communique

NC0612082195 Paris AFP in English 0808 GMT 6 Dec 95

[FBIS Transcribed Text] Muscat, Dec 6 (AFP)—Gulf Arab leaders were set to condemn President Saddam Husayn for the suffering of his people and the continuation of UN economic sanctions in a tough final communique at their annual summit here Wednesday [6 December].

The draft text being studied by the six Gulf leaders accuses Baghdad of "stubbornly refusing initiatives from the international community aimed at easing the suffering of the Iraqi people."

It urged Saddam's government to accept a UN resolution allowing it to export limited quantities of oil to buy food and medicine, according to a copy obtained by AFP.

The leaders of the Gulf Cooperation Council — Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman — were set to adopt the communique at the end of a three-day summit in the Omani capital later Wednesday.

Qatari Amir Boycotts Final Session

NC0612125795 Paris AFP in English 1234 GMT 6 Dec 95

[FBIS Transcribed Text] Muscat, Dec 6 (AFP) - The Amir of Qatar, Shaykh Khalifah Bin-Hamad Al Thani, on Wednesday [6 December] boycotted the final session of the Gulf Cooperation Council (GCC) summit here to protest the selection of a Saudi as GCC secretary general, delegates said.

GCC Reportedly Receives Second Saddam Message

MM0612100095 London AL-SHARQ AL-AWSAT in Arabic 6 Dec 95 pp 1, 4

[Report by Wahib Muhammad Ghurab, Sa'id 'Isa, and Mahir 'Abbas: "Muscat Summit Adopts Amicable Solution, Receives Message From Iraqi President"]

[FBIS Translated Excerpt] Muscat — [passage omitted] The other talks and meetings focused on discussing the position on Iraq in the light of the message Iraqi President Saddam Husayn sent to the summit calling for reconciliation and for opening a new chapter. Informed sources have said that the Iraqi president sent the message through his ambassador in Muscat. And that he sent another message indirectly through the amir of Qatar, Shaykh Hamad Bin-Khalifah Al Thani, who received an Iraqi envoy a few days ago. The sources stressed that the Iraqi position has changed nothing in the Gulf position, which continues to insist on the need for Iraq to implement all the Security Council resolutions.

The conference's sources pointed out that the six states are in agreement as regards Iran. While they call for normal relations with it, they support the United Arab Emirates in its dispute with it over the three islands [Tunb al-Kubra, Tunb al-Sughra, and Abu Musa], and support any endeavor to recover its rights, including referring the issue to the International Court of Justice. [passage omitted]

Iraqi Envoy Cited on Saddam Message

MM0612123195 London AL-HAYAH in Arabic 6 Dec 95 pp 1, 6

[Report by Sulayman Nimr and Husayn 'Abd-al-Ghani: "Baghdad and Iran Send Two Messages to Gulf Leaders"]

[FBIS Translated Excerpt] [passage omitted] At another level, Iraqi and Iranian diplomatic sources have said that both Iraq and Iran have sent messages to the Gulf summit. Iraqi Ambassador to Muscat Dr. Khalid al-Samarra'i has told AL-HAYAH that the Iraqi leadership has indeed sent a message through four states: Oman, the host state; Qatar; Bahrain; and the United Arab Emirates [UAE].

The Iraqi ambassador stressed that the message contains several major orientations, most importantly an emphasis on UAE President Shaykh Zayid Bin Sultan's October initiative, in which he called for "reconciliation with Iraq and efforts to lift the international blockade imposed on Iraq five years ago."

The message says that "the Gulf region now needs a new understanding, especially after the lapse of these years, and it has now become clear that the continuation of the current situation is in the interests of no one."

The Iraqi ambassador pointed out that the message includes an assurance from Iraq as regards compliance with all the international resolutions and its desire to resolve all outstanding questions, including the "missing persons" question.

On the reasons for sending the message at this stage, the Iraqi ambassador pointed out that Iraq has noted a change reflected by Shaykh Zayid's call for reconciliation and statements issued by the region's states, expressing their sadness at the suffering resulting from the blockade imposed on Iraq. This is in addition to the growing feeling in the Gulf that insistence on continuing to isolate Iraq would not only harm Iraq, but also disrupt the regional balance and hence political stability in the region.

In a reference to Gulf suspicion and distrust as regards the sincerity of the Iraqi positions, the Iraqi ambassador said that his country has gained experience from the crisis with Kuwait and now poses a threat to no one in the region. He said that Iraq is seeking new relations of coexistence and cooperation, especially as it has recognized Kuwait's sovereignty as an independent state.

On the missing persons issue, which represents a constant Kuwaiti and Gulf demand, al-Samarra'i stressed his country's desire to resolve it, especially as it does not represent a pressure card against Kuwait. In this context he pointed out that his country "has asked the Gulf Cooperation Council [GCC] states to propose any formula that would help to resolve the issue. It [Iraq] has announced a financial reward for anyone providing information about Kuwaiti missing persons."

The ambassador said that the delay in resolving this issue is attributable in part to the inaccuracy of the numerous lists submitted, which started with 1,600 missing persons and dropped to 600 in the last list. The other reason is the difficult conditions that Iraq has been experiencing since the second Gulf war, and because full control of all the regions has not yet been established.

The Iraqi ambassador stressed that his country continues to work for the sake of having the blockade lifted fully by implementing the relevant clauses in the international resolutions; that the appeal addressed to Iraq to implement Resolution 986, which allows it to sell part of its oil to purchase food and basic humanitarian needs for its people under UN supervision, is designed to "divert attention from this aim"; and that the Iraqi Government has on several occasions clarified its position on this issue without any ambiguity.

The Iraqi ambassador said that his country refuses to allow the talk of humanitarian sympathy for the Iraqi people to turn into a kind of "favor or [act of] sympathy." It also "rejects any separation between the Iraqi people and the political regime in Iraq, because that is tantamount to interference in Iraq's internal affairs."

He expressed his "hope that the 16th Gulf summit will contribute to bolstering the efforts exerted by several Gulf states, among them Oman, the host state, to open the door to a new future in the Gulf based on coexistence, cooperation, and the exclusion of none of the region's states."

Meanwhile, Seyyed Mohammad Shihabi, charge d'affaires and political adviser at the Iranian Embassy in Muscat, has stressed that "his country has sent a message to the summit through the host state." He said that the message "was sent by Foreign Minister Dr. 'Ali Akbar Velayati to Omani Foreign Minister Yusuf Bin-'Alawi through the Iranian ambassador hours before the summit started."

He pointed out that "the message addressed to the GCC leaders calls for cooperation and dialogue between the GCC group and the Islamic Republic of Iran, and not allowing the islands problem between the UAE and Iran to be an obstacle in the way of the development of Gulf-Iranian relations."

The message includes "an appeal to the summit to adopt political wording less severe than that adopted at previous Gulf summits (since 1992) as regards the islands question and Iran."

He said that the "positive orientations" represented in the convening of a round of dialogue between the UAE and Iran in Doha recently — although the dialogue has not in fact been interrupted between the two states, overtly or covertly — and Shaykh Zayid's assertion that the issue can be resolved peacefully, all "prompts the adoption of a new language and a new spirit between the GCC states and Tehran."

The Iranian charge d'affaires stressed that "his country informed the Gulf summit through its message of its willingness to engage in dialogue with the UAE at any time" over what he termed the "misunderstanding" over Abu Musa island. That is a phrase which the Iranians constantly say that "Shaykh Zayid used in a message he sent to President 'Ali Hashemi-Rafsanjani nearly three years ago."

Independent diplomatic sources in Muscat have told AL-HAYAH that the Iraqi and Iranian messages are the most important events at this summit, in view of the critical situation in relations between the GCC as a group and these two states, and also because Iraq and Iran are directly concerned more than any other regional parties with the summit resolutions and its orientations regarding the future of regional political relations. However, the sources, which are close to the summit debates, stressed the two messages are unlikely to bring about any change in the traditional stands of the GCC as a group, whether with regard to Iraq or Iran, because of the hard line adopted by Kuwait, which suffered directly from the Iraqi invasion, and also because of the hard line adopted by the UAE toward Iran, especially after the recent Qatari-sponsored meeting failed to bring about any fundamental progress in view of Iran's adherence to its position of refusing to negotiate over the two islands of Tunb al-Kubra and Tunb al-Sughra and its insistence on considering the dispute over Abu Musa island merely a misunderstanding.

Bahrain

Opposition Leader on Dialogue, U.S. Contacts

JN0312202595 Paris AL-MUHARRIR in Arabic 4 Dec 95 p 3

[Interview with Shaykh 'Abd-al-Rahman al-Nu'aymi, secretary general of the Popular Front in Bahrain, by unidentified correspondent in Damascus; date not given]

[FBIS Translated Text] [AL-MUHARRIR] How do you explain the Bahraini Government's denial of the conclusion of any agreement with the opposition?

[Al-Nu'aymi] I should say that actually, there is no written agreement between the opposition and the government, but an unwritten agreement which was reached following a three-month series of dialogues between a number of the detained opposition leaders and Interior Ministry officials, particularly Major General Henderson, Interior Minister Muhammad Bin-Khalifah, and a senior investigator, who is 'Adil Fulayfil. The dialogues started in early April and ended in Mid-August. The Interior Ministry asked the opposition representatives to address a message to the government. The message was published later. There are witnesses to the dialogue which was held. Among these witnesses were Minister 'Abd-al-Nabi al-Shu'lah, Shaykh Sulayman al-Madani, chief justice of the Ja'farite Court, and Ahmad Mansur al-'Ani, one of the leading Shiite merchants. During the meeting, the minister said that the meeting was enough and that there was no need to issue a statement. So, in accordance with this agreement, the detainees will be released in three installments, the first on 16 August 1995, the second on 7 September, and the third on 30 September, providing that the first who should be released are opposition leaders Hasan Shayma', Khalil Sultan, Hasan Sultan, 'Abd- al-Wahhab Husayn, and Shaykh 'Abd-al-Amir al-Hajari.

[AL-MUHARRIR] Why did the opposition accept conclusion of an unwritten agreement?

[Al-Nu'aymi] There is a recognized tradition in this regard.

[AL-MUHARRIR] What about the current situation in Bahrain?

[Al-Nu'aymi] We expected a government initiative to settle the situation and to end the political tension. However, what happened was the contrary, for the government issued a statement in which it threatened to apply the penal code. It also deployed riot police in the streets. Regarding the opposition, there is a large-scale nationalist action which goes beyond the security agreement and those behind it. It is based on democratic demands. Of course, this will put the country on the threshold of a disturbed and an unstable stage, especially since this coincides with the first anniversary of the uprising, and with the Gulf [Cooperation Council] summit.

[AL-MUHARRIR] The Bahraini Government accuses the opposition of loyalty to Iran. What is your opinion?

[Al-Nu'aymi] Although it has relations with a number of the opposition factions, Iran does not steer events in Bahrain, but they are steered by a broad nationalist Islamic alliance in the country.

[AL-MUHARRIR] How do the other Gulf states view what is taking place in Bahrain?

[AL-Nu'aymi] The United Arab Emirates and Kuwait are not satisfied with the way the Bahraini Government deals with the events in the country. For example, they reject the issue of expulsions. Moreover, Kuwait prefers the holding of elections in the country. The Saudi Government is actually on the side of the government.

[AL-MUHARRIR] Have there been contacts between the opposition and the U.S. Administration?

[Al-Nu'aymi] Yes, contacts have been held with the Congress. Regarding meetings with U.S. Administration officials, more than one meeting was held with the U.S. State Department. However, these meetings were confined to a specific opposition current; namely the Bahrain Freemen Movement [harakat ahrar al-bahrayn]

Qatar

Paper Suspended for Publishing Draft GCC Communique

*JN0512121495 Manama WAKH in Arabic
1120 GMT 5 Dec 95*

[FBIS Translated Text] Doha, 5 Dec (WAKH)—The Qatari Information and Culture Ministry today decided to suspend the Qatari newspaper AL-WATAN for one month as of Wednesday, 6 December.

The decision was made in view of the paper's violation of Article 47 of the Press and Publication Law by publishing the draft final communique of the Gulf Cooperation Council summit, currently convening in Muscat.

Amir Comment on Iraq, Normalization, Oil, Gas

*MM0112151495 London AL-HAYAH in Arabic
1 Dec 95 p 7*

[Interview with Amir Shaykh Hamad Bin-Khalifah Al Thani by Jihad al-Khazin in Doha on 28 November]

[FBIS Translated Text] [al-Khazin] A Qatari-sponsored conference was held in Doha recently between the United Arab Emirates [UAE] and Iran on the problem of the three islands [Tunb al-Kubra, Tunb al-Sughra, and Abu Musa]. Do you believe the conference failed, or was it a step to be followed by other steps?

[Al Thani] All we can do is work diligently. Our policy is to work to calm the situation in the Gulf. We are trying to secure a common ground, because a solution is difficult. The objective is to initiate direct contacts between the brothers in the UAE and the Iranians.

[Al-Khazin] Do you support the view that there are serious fears over a possible partition of Iraq? And do you believe that the federation proposals are the way to alleviate the Iraqis' suffering?

[Al Thani] Our fixed and declared position is that we cannot accept that the sovereignty, independence, territorial integrity, and unity of any Arab state be harmed. We have stressed the eagerness of the State of Qatar to safeguard Iraq's unity and territorial integrity, and not to interfere in its internal affairs. The decision in this connection is the Iraqi people's.

[Al-Khazin] Frankly, is Qatar prepared to coexist with Saddam Husayn's regime? You supported [UAE President] Shaykh Zayid's initiative, at which there has been Kuwaiti discontent. Where do you stand with regard to the UAE position and the Kuwaiti position?

[Al Thani] We in Qatar are committed to a fixed principle in our policy, namely not to interfere in the internal affairs of any state. The regime in Iraq is an internal affair that concerns the Iraqi people alone. It is not our job or that of others to decide for the Iraqi people who should rule them. It is the Iraqi people's responsibility. They know their affairs and interests better. On that basis, we deal with the reality. It is unreasonable to ignore this reality. We hope that the Iraqi people will surmount the difficult and harsh conditions from which they are suffering and recover their health, economically and politically. Because Iraq is a vital and dear part of our Arab nation, hence we must help it in order to alleviate its suffering.

Actually the initiative of His Highness Shaykh Zayid Bin-Sultan Al Nuhayyan reflected a position toward one of our nation's important issues. We support this humanitarian initiative, taking account of the fact that Iraq should implement all the Security Council resolutions.

[Al-Khazin] Do you believe that a split could occur in the Gulf position on the Iraq issue? Do you not think that some Gulf signals could encourage the Saddam regime to wager on the time factor to break the blockade and split the Gulf Cooperation Council's [GCC] unity?

[Al Thani] I do not think so. However, let me clarify a point over which there has been much confusion in the media. There is a difference between complying with a joint position on the Iraqi issue and working earnestly to deal with it on the basis of this position. The Gulf position on the issue is known, and everyone is committed to it. Namely the need for Iraq to implement the UN resolutions and the need to safeguard its territorial integrity and to lift the suffering from the fraternal Iraqi people. I do not know how appeals to lift the suffering of the people of Iraq can be interpreted as a split in the Gulf position or a split in the GCC's unity, or how this could adversely affect the staunch relations among the Gulf states.

At any rate, I do not believe that there are differences over Iraq's importance in any endeavors aimed at achieving security, peace, and stability in the region. We deal with it on that basis.

[Al-Khazin] How do you deal with the "dual containment" policy concerning Iraq and Iran? Do you believe it has succeeded, when Russia is insisting on expanding cooperation with Iran and the blockade has weakened Saddam but brought tragedies for his people?

[Al Thani] Our opinion in the State of Qatar has always been that Iran and Iraq are two Gulf and Muslim states, hence they cannot in any way be isolated or ignored when discussing the Gulf region and the Middle East in general. Iran and Iraq — by virtue of their population, strategic positions, and long history — must play their own roles in the region's policies in the various spheres. Any policy that does not take account of this would be unrealistic.

[Al-Khazin] You will take part in the Gulf summit in Oman. Qatari policy differs from the policies of all the other states. With regard to the GCC secretary general issue, you have a candidate. But we have heard that the other five states are agreed on the Saudi candidate Jamil al-Hujaylan. Qatar did not participate in the Peninsula Shield Force or join the Gulf security agreement. And of course, there is the issue of selling gas to Israel. We have also heard that Qatari Airlines will [operate flights] to Tel Aviv before Riyadh. How do you explain this policy? Some people say that it is a policy of "being different to become known."

[Al Thani] That depends on every individual's thinking, if he thinks that our policy is based on the method of "being different to become known." First, we hope that our Qatari Airlines will operate flights to all cities in Saudi Arabia as long as the planes are allowed to land there. We would welcome that. Saudi Arabia is an influential state and a dear neighbor. As regards the gas issue, we announced it before, and it will not see the light for five or six years. That is, if it is going to see the light at all. With regard to the secretary general issue — and this is a point which I want to clarify — it was agreed at the Gulf foreign ministers council six or seven months ago that the candidate should be Qatari. There is an endorsed agreement in this connection.

[Al-Khazin] Your candidate is 'Abd-al-Rahman al-'Atiyah.

[Al Thani] We submitted the name of our candidate, and the issue will be discussed at the summit.

[Al-Khazin] What about the Peninsula Shield Force? Are there Qatari troops in it?

[Al Thani] There are still Qatari troops. But our position is clear, and the proof is the events in Kuwait. We were supposed to contribute one or two companies, but we contributed nearly 70 percent of our ground forces.

[Al-Khazin] Qatar believes that there are differing views in the GCC states' positions on normalization [with Israel]. It also believes that this is a healthy phenomenon. Do you not believe that these differing views affect the unity of the GCC position, especially as Qatar has speeded up the move toward normalization?

[Al Thani] The GCC states' position on the peace process has been clear and open since they participated in the Madrid conference, which was an important turning point as regards the peace process. On that basis, I believe that there is no disagreement among the GCC states over the Israel issue. There are differing views, that is all, on the grounds that it is a matter of time, pending progress on the Syria and Lebanese tracks.

We are optimistic that an agreement will be reached with the Syrians and the Lebanese despite the difficulties that emerge from time to time. I believe that in the light of recent developments, Israel — before anyone else — is aware that it is in its interests to speed up the peace process with the other parties.

[Al-Khazin] With regard to border disputes, at the Bahrain summit King Fahd promised to settle these disputes within a year. I believe you have settled most of your disputes with the Kingdom of Saudi Arabia, but there are still disputes with Bahrain. Have there been any developments regarding Bahrain?

[Al Thani] We have not said that we have resolved our dispute with the Kingdom. There is a minor problem between us and Saudi Arabia. We are confident that the custodian of the two holy mosques will be able to resolve it.

[Al-Khazin] Is there anything new with regard to Bahrain?

[Al Thani] Our position is clear. The issue has been referred to the International Court of Justice. King Fahd is the mediator, and once he finds a solution, we are willing to withdraw the case from the court.

[Al-Khazin] I have noticed that there is great interest in the next municipal elections in Qatar. How do you view them?

[Al Thani] That issue is under consideration. There will inevitably be municipal elections.

[Al-Khazin] Will they be followed by other elections, such as Chamber of Commerce and Industry elections?

[Al Thani] The Chamber of Commerce has its own law, elections there are on the cards, and appointments are a possibility. We have not settled this issue yet.

[Al-Khazin] Since you consider the dispute with Saudi Arabia a minor one, do you believe it will be settled soon?

[Al Thani] We have confidence in the wisdom of Custodian of the Two Holy Mosques King Fahd Bin-'Abd-al-'Aziz and his orientations on bringing an end to border problems in the region. Thus we believe that our border dispute with the Kingdom will not be difficult to resolve.

[Al-Khazin] Qatar has the largest gas reserve after Russia and Iran. How do you utilize this reserve to develop the Qatari economy?

[Al Thani] Gas represents one of the basic foundations of economic development in the country. This is why the state is working earnestly to utilize it in an ideal manner as following:

1. Increasing reliance on gas to meet local energy needs in order to export most of the country's oil and oil products. Qatar has made a great success in this sphere, and the gas consumed locally represents about 90 percent of energy consumption — one of the highest rates in the world.

2. Using gas to advance industrial development, especially in industries that use gas, like petrochemicals and fertilizers. And in the heavy industries that use energy extensively, such as steel and cement. We are now in the process of developing the industrial base that began in the seventies, by expanding existing industries and setting up new industries.

3. Exporting gas by liquefaction and shipment or through pipelines. As a result of the extensive efforts we have made to look for markets for Qatari gas, we have succeeded in concluding 25- year agreements with Japanese companies to export 6 million tonnes of liquefied gas to Japan at the beginning of 1997, and with the Korean Gas Company to export 2.4 million tonnes in 1999.

Qatar is making long strides with a view to becoming one of the major exporters of liquefied gas in the world. In addition, there are numerous projects under consideration to export gas to neighboring states through pipelines.

[Al-Khazin] Qatar signed a gas agreement with Israel. Is supplying Israel with gas a purely commercial matter or is it a step to serve Qatar's political interests and to advance peace endeavors in the Middle East?

[Al Thani] To be accurate, Qatar has not signed an agreement with Israel to sell gas [to it]. We signed a letter of intent with the U.S. company Enron that does not reach the level of a final agreement, to sell liquefied Qatari gas (FOB) at the Qatar border. Enron would then, at its own responsibility, ship this gas and sell it on specific markets, including Israel's. It is worth mentioning here that even if matters proceed well with Enron, we do not expect this gas to reach the markets before the year 2000.

[Al-Khazin] The late King Faysal Bin-'Abd-al-'Aziz used oil as a political weapon in 1973. Would Qatar use such an option in the future, and if so, to what extent? And is there a political element in the energy policy pursued by Qatar?

[Al Thani] We are experiencing conditions completely different from the conditions that existed in 1973 at both the economic and political level, including conditions on the world oil market. As is known, this market has become a market for buyers, not sellers. Because it is the buyers who now threaten to impose a blockade on oil — which is different from the situation in 1973. At any rate, OPEC states have long said that they will not use oil as a political weapon, and we support this approach.

As for gas, selling and buying it requires mutual trust between the seller and the buyer and a high degree of cooperation. In addition, the huge investments needed for gas projects, and the great economic effects resulting from them, prompt us to ensure that the principal element on which they are based is economic.

[Al-Khazin] Is Qatar's potential trade relationship with Israel an isolated position or is it forged under a Gulf consensus?

[Al Thani] Allow me to explain to you that there is nothing you can call a "trade relationship" at the moment. And everyone knows that there is a Gulf and Arab move toward the peace process in the Middle East, which will naturally and eventually lead to trade relations among all parties.

[Al-Khazin] Do you expect Qatar to play an economic role in the Gulf, and in what form?

[Al Thani] As a GCC member, Qatar makes its moves within the framework of joint cooperation with GCC states. The GCC has made long strides as regards liberalizing trade and coordinating economic and financial policies. Qatar can play a distinctive role in the joint enterprises that rely heavily on gas, such as linking the region through a natural gas pipeline network and an electricity grid.

[Al-Khazin] It is said that there is a contradiction at the domestic level in Qatar with regard to energy policy. What truth is there in this? If that is the case, what will you do to bring matters under control?

[Al Thani] I would like to stress that the contradiction you referred to in your question does not exist at all. So I believe there is no point in answering such questions.

[Al-Khazin] What measures will you take to reactivate the Qatari economy and to bring inflation under control?

[Al Thani] Some years ago we took important and numerous steps to reactivate and develop the Qatari economy. We are in the process of taking further steps that are no less important. These steps cover all the main factors concerning the economy, in particular investments, economic laws, and administrative measures.

As for inflation, Qatar does not suffer from such a problem. Statistics show very low rates over the past four years.

[Al-Khazin] When will there be a stock exchange in Qatar, and do you have any intention of privatizing the economy?

[Al Thani] The law concerning the currency exchange was issued several months ago. The necessary regulations are being drawn up to begin the project. We hope that the exchange will begin to operate next year.

As for privatization, we are considering all aspects of the issue. We prefer in this respect to take careful and well-studied steps. It can be said that there is a general tendency toward privatization. But we have not yet reached a final decision on its scale or the companies to be subjected to such a process.

[Al-Khazin] With every new era people look for something new. Is there anything new at the economic level?

[Al Thani] With regard to the economic level, we are not talking about a totally new era. As is known, I was in charge of economic affairs for many years before I assumed power in the country. Thus what we are doing now at the economic level is a continuation of what was done over those years.

At any rate, we prefer not to indulge in slogans, especially unrealistic ones. And to focus, instead, on working calmly and tirelessly to raise the citizen's living standards by utilizing the resources God has granted us in an ideal manner, and also by developing the Qatari people's capabilities so that they can run a modern economy that is effective in all aspects, especially the technological and organizational aspects. We expect in the future to continue to take decisions compatible with these aims.

Saudi Arabia

King Fahd Receives Well-Wishers in Hospital

LD0512201395 Riyadh SPA in Arabic
1816 GMT 5 Dec 95

[FBIS Translated Text] Riyadh, 5 Dec (SPA) — King Fahd Bin-'Abd-al-'Aziz Al Sa'ud, the custodian of the two holy mosques, may God support him, received in his residence at King Faysal Specialist Hospital [in Riyadh] this evening His Royal Highness Prince Bandar Bin-'Abd-al-'Aziz; His Royal Highness Prince Mish'al Bin-'Abd-al- 'Aziz; His Royal Highness Prince Sultan Bin-'Abd-al-'Aziz, second deputy prime minister and minister of defense and aviation and inspector general [of the Army]; His Royal Highness Prince 'Abd-al- Rahman Bin-'Abd-al-'Aziz, deputy minister of defense and aviation and deputy inspector general; His

Royal Highness Prince Mit'ib Bin- 'Abd-al-'Aziz, minister of public works and housing; His Royal Highness Prince Mishari Bin-'Abd-al-'Aziz; His Royal Highness Prince Nawwaf Bin-'Abd-al-'Aziz; His Royal Highness Prince Nayif Bin-'Abd- al-'Aziz, the interior minister; His Royal Highness Prince Salman Bin-'Abd-al-'Aziz, governor of Riyadh region; His Royal Highness Prince 'Abd-al-Ilah Bin-'Abd-al-'Aziz; His Royal Highness Prince Sattam Bin-'Abd-al-'Aziz, deputy governor of Riyadh region; His Royal Highness Prince Ahmad Bin-'Abd-al-'Aziz, deputy interior minister; His Royal Highness Prince 'Abd-al-Majid Bin-'Abd-al-'Aziz, governor of Medina region, and His Royal Highness Prince Hazul Bin- 'Abd-al-'Aziz.

Also present at the audience His Royal Highness Prince Faysal Bin-'Fahd Bin-'Abd-al-'Aziz, general chairman of the Youth Care Organization; His Royal Highness Prince Muhammad Bin-Fahd Bin-'Abd- al-'Aziz, governor of Eastern region, His Royal Highness Prince Sa'ud Bin Fahd-Bin-'Abd-al-'Aziz; His Royal Highness Prince Sultan Bin-Fahd Bin-'Abd-al-'Aziz, deputy general chairman of the Youth Care Organization; His Royal Highness Prince 'Abd-al-'Aziz Bin Fahd Bin-'Abd-al-'Aziz, adviser at the Royal Court; His Excellency Muhammad al-Nuwaysir, head of the Royal Court; His Excellency Ibrahim al-Anqari, personal adviser to the custodian of the two holy mosques; His Excellency Information Minister Dr. Fuad Bin-'Abd-al-Salam al-Farisi; His Excellency Health Minister Dr. Usama al- Shubukshi; His Excellency 'Abd-al-Wahab al-'Isa, the adviser to the Royal Court; His Excellency Muhammad al-Sulayman, the head of the private office of the custodian of the two holy mosques; His Excellency Mansur al-Khariji, the deputy head of royal protocol, and Staff Lieutenant General 'Abdullah al-Namlah, the commander of the Royal Guard.

May God save the custodian of the two holy mosques and give him a long life.

Ship Carrying Aid for Bosnian Muslims Departs

LD0512141395 Riyadh Saudi Arabian Kingdom Radio Network in Arabic 1130 GMT 5 Nov 95

[FBIS Translated Text] In continuation of the interest of the government of the Custodian of the Two Holy Mosques, King Fahd Bin-'Abd-al-'Aziz, may God support him, in Muslims' affairs in order to help them overcome whatever ordeals they are going through, and on the instruction of His Royal Highness Prince Salman Bin-'Abd-al-'Aziz, the governor of Riyadh region and chairman of the higher body for collecting donations for the Muslims of Bosnia-Herzegovina, the ship 'Arab Fadil left the Islamic port of Jedda last Sunday on its way to the port of Ploce in Croatia carrying 4,243 cubic meters of relief material, including 1 million liters of milk donated by His Royal Highness Prince 'Abdallah al-Faysal within the framework of the Custodian of the Two Holy Mosques' solidarity campaign with the Muslims of Bosnia-Herzegovina, 2000 tonnes of sugar, and 22 jeeps, in addition to large quantities of foodstuffs, clothes, and blankets.

In the same context, the higher body has set up 14 centers and offices for the distribution of the different types of relief material to the refugees and displaced persons from among the Bosnian Muslims in Croatia and in other places.

The distribution of the relief materials also involves families, widows, orphans, and the needy inside Bosnian towns.

Ramadan on Country's 'Democratic Developments'

JN0512193595 Baghdad Iraq Television Network in Arabic 1800 GMT 5 Dec 95

[Announcer-read report over video]

[FBIS Translated Text] Vice President Taha Yasin Ramadan has asserted that the Iraqi people's steadfastness and adherence to their militant leadership have secured widespread international interest in Iraq's drive to lift the unjust blockade.

In a lecture under the headline: "The Democratic Developments in Leader Saddam Husayn's Iraq," at the third cultural season of the University of Technology, Ramadan said that Iraq has been able to maintain a firm position as a result of its potential, resources, integrated economy, and its people's militant spirit epitomized by the construction campaigns.

The vice president also asserted that Iraq was embarking on democratic developments, represented by the National Assembly and local people's councils elections and by founding bodies of opinion at the ministries in order to secure maximum popular participation in the cultural progress of our militant country.

Ramadan added that the Great March Day witnessed the largest democratic practice in Iraq in which the people elected their unique leader struggler President Saddam Husayn, the owner of a genuine militant history and renowned heroic positions. The opening of the cultural season was attended by the president and teachers of the technological universities and a crowd of students.

Paper Expects Favorable Developments in Next Months

JN0612105895 Baghdad INA in Arabic 0938 GMT 6 Dec 95

[FBIS Translated Text] Baghdad, 6 Dec (INA)—The newspaper AL-JUMHURIYAH asserts that major regional and international developments in favor of Iraq and of a revocation of the Iraq sanctions will take place within the next few months.

In an article entitled "The Future of the Blockade and the Current International Positions," contributed by its chief editor, the paper adds: Some of these developments are connected to the outcome of the referendum, through which the world realized that the situation in Iraq is completely different from the way it was depicted in the U.S. media. This has been attested to by some 1,500 Arab and foreign journalists, and also by the reports dispatched by the Arab and foreign embassies operating in Baghdad. These reports stated that the referendum was honest, clean, and free.

The paper goes on to say: Prior to the referendum, the United States launched a premeditated multifaceted media campaign against Iraq to delude the Iraqi people and the world at large into believing that Iraq was on the verge of collapse. This campaign and its concomitant developments created a clear turbulence in the overall positions of some states and organizations, which prompted them to deal with Iraq as if the clock had frozen since the events of 1991. Any discussions of the impact of the referendum must take this point into account, for the United States and its lackeys sought to return Iraq to square one and to deny its sacrifices and the cooperation it has extended to get the sanctions lifted.

The paper says: The facts regarding cooperation between Iraq and the United Nations since August 1995 to date place the United States and the permanent members of the UN Security Council in a highly complicated and delicate impasse. This is because the failure to acknowledge Iraq's cooperation and the fulfillment of its obligations per the relevant UN Security Council resolutions will only show a premeditated hostile position toward the Iraqi people and confirm the existence of an international collusion against them.

The paper stresses that whoever believes that the international state of affairs will remain unchanged is gravely mistaken, because the provisions of Resolution 687 stipulate that the removal of the economic embargo is contingent only upon the destruction of mass destruction weapons, a mission that has been accomplished by the destruction of the weapons in question and the installation of a stringent monitoring regime. Mr. Ekeus has acknowledged that such a regime is now in place.

Paper Urges Arab Governments To Violate Embargo

JN0612100195 Baghdad INA in Arabic 0730 GMT 6 Dec 95

[FBIS Translated Text] Baghdad, 6 Dec (INA)—The newspaper AL-THAWRAH urges the Arab governments to promote the interests of their own peoples by immediately violating the sanctions regime, starting trade and economic exchange with Iraq, and maintaining multifaceted ties with it.

In an article published here today, the paper, which speaks for the Arab Socialist Ba'th Party, adds: There is growing Arab, Islamic, and international support for revoking the Iraq sanctions, particularly since the Iraqi Government and people have removed all the pretexts used by Washington to keep the sanctions in place.

The paper goes on to say: Those who shape world public opinion and most influential international powers have realized that Iraq is a major factor of stability in the region and the world at large, and that the anti-Iraq aggression, in which weapons of mass destruction, including the embargo, the most ferocious and harmful of all, have been used, has tangibly hurt various other peoples, whose governments took part in the aggression and are party to the continuation of the embargo.

The paper says: Iraqis and Arabs hope that the virtual international consensus on the need to revoke the sanctions will prompt Arab governments to make gestures dictated by their pan-Arab and Islamic sentiments, and also by their humanitarian dutifulness, which finds its expression when the issues at stake are non-Arab.

The paper adds: Several international powers have begun to realize that their interests are endangered by the continued blockade of Iraq. Additionally, the Arabian Gulf states should recall that Iraq waged an eight-year war to protect them from imminent danger. But in view of the neutralization of Iraq's pan- Arab role as the Arab homeland's eastern flank, which was fostered by the enormous sacrifices it has made to repulse aggression, there will be nobody to protect them from a recurrence of that danger. U.S. troops will not provide the required protection.

The paper concludes by saying: The world is currently preparing for the comeback of Iraq as an economic, cultural, and political force on the international scene, not out of pity, but because it seeks to uphold fairness and invigorate the interests of many peoples that have suffered, not to mention the domestic instability these peoples have experienced.

Assembly Debates Law on 'People's Councils'

JN0512194295 Baghdad Iraq Television Network in Arabic 1800 GMT 5 Dec 95

[Announcer-read report over video]

[FBIS Translated Text] The National Assembly has held a special session chaired by its Speaker 'Abd-al-Baqi 'Abd-al-Karim al-Sa'dun. The session was devoted to debating a law on local people's councils.

The National Assembly hosted Deputy Prime Minister Tariq 'Aziz, chairman of the committee assigned the drafting of the law on local people's councils. The session was also attended by members of the committee, who include Deputy Prime Minister Muhammad Hamzah al-Zubaydi; Interior Minister Muhammad Zimam 'Abd-al-Razzaq; Justice Minister Shabib Lazim al-Maliki; Finance Minister Ahmad Husayn Khudayyir; and Dr. Mundhir Ibrahim al-Shawi, head of the Legal Department of the Presidential Office.

Deputy Prime Minister Tariq 'Aziz briefed the National Assembly members on the philosophy of the law of local people's councils. These councils will examine the local, educational, cultural, health, social, economic, religious, and other daily affairs that have a direct bearing on the life of citizens. Each council will function within its administrative unit.

Tariq 'Aziz said the law of local people's councils is one of the major laws in the country that regulate social activities of the people. In addition, this law aims at expanding the base of democratic practice through popular participation in the daily activities that relate to the life of citizens. The law also aims at raising the standard of services through dialogue and interaction.

Tariq 'Aziz added that the command of the party and the revolution, led by President Saddam Husayn, has exerted tremendous efforts to deepen public democratic practices. This is in line with the principles of the Arab Socialist Ba'th Party and embodies the objectives of the glorious 17-30 July revolution.

Tariq 'Aziz said the law ensures the direct election of representatives of the people and appointing employees in charge of public services to be members of the local people's councils. The purpose of this is to enable both sides to upgrade the services in the administrative units. The law gives special status to the city of Baghdad since it is the capital of Iraq.

The National Assembly continued its session this evening to debate the law of local people's councils, in the presence of Deputy Prime Minister Tariq 'Aziz, chairman of the committee in charge of drafting the law of local people's councils, and members of the committee.

The committee listened to the views and proposals of the members of the National Assembly regarding the articles of the law. The purpose of this is to enhance democratic practice and broaden popular participation in serving the citizens.

Decrees Introduce Promotion System for Educators

JN0512200595 Baghdad Iraq Television Network in Arabic 1800 GMT 5 Dec 95

[Announcer-read report]

[FBIS Translated Text] In implementation of President Saddam Husayn's directives, it has been decided to give teachers, instructors, educational specialists, and all other educational and teaching staff new employment grades.

Announcing this in a press statement today, Education Minister Dr. 'Abd-al-Jabbar Tawfiq said: The Revolution Command Council has issued two decrees introducing employment promotions for teachers, instructors, and educational specialists for the first time in Iraq's history. The promotion system depends on good performance. The decrees state that the same promotion shall apply to the school principal, his assistant, and the student counselor. Each of them shall have a new title in addition to their job title. The new title gives certain benefits, including priority of promotion and allowances when receiving this promotion to a position of seniority.

The minister said the two decrees also stipulate an increase in the educational professional allowances by 170 percent, 200 percent, and 250 percent according to the grade system.

Formation of New Opposition Group Announced

MM0512151995 London AL-HAYAH in Arabic 3 Dec 95 p 4

[Unattributed report: "National Opposition Grouping Vows To Topple Saddam"]

[FBIS Translated Text] London, AL-HAYAH — The formation of a new Iraqi opposition organization calling itself "the National Opposition Grouping Inside Iraq" [NOG] has been announced. It vows "to eliminate the tyrant Saddam and his regime, to coexist peacefully with all the world's peoples within the international community, and to build a modern Iraq based on freedom, equality, prosperity, and pluralism for all the Iraqi people's factions."

A statement received by AL-HAYAH and signed by the NOG leadership said that "the indications for establishing the NOG appeared during the Iraq-Iran war as a result of Iraq's enormous loss of lives, the violations of human rights by the Iraqi regime, and the squandering of the country's wealth." The statement pointed out that the NOG includes elements of "the people's factions, national and opposition figures, and elements from within the regime's administrative, party, military, and security organs. The NOG structures were expanded following the end of the Iraq-Iran war and the shameless decision by the tyrant Saddam before the eyes of the world to revert to the Algiers agreement." The statement said that the Iraqi regime committed an aggression on "sisterly Kuwait in an act of piracy and evil aggression, forgetting the kindness shown by this country and its people, the assistance they offered, and the fact that they stood by its side along with the other Gulf states during the Iraq- Iran war." It stressed that the NOG will work toward "removing the regime from within Iraq," and criticized "the begging centers [marakiz tasawil] and shops set up at the expense of the people standing firm inside Iraq, mostly by agents of the dictatorial regime claiming to be nationalists." In conclusion, the statement said that "no matter how long it takes, just retribution will come for the assassinations and the plunder of the rights of the Kuwaiti people and its Iraqi brothers."

Barzani Radio Reports Successes Against PKK

JN0512210295 (Clandestine) Voice of Iraqi Kurdistan in Arabic 1800 GMT 5 Dec 95

[FBIS Translated Text] On the night of 3/4 December and in their death throes, the PKK [Kurdistan Workers Party] terrorists tried to attack Barzani citizens in the areas of Sidan and (Dizayyan). The tigers of Barzani and the Kurdistan Democratic Party [KDP] pounced on them from east of Sidan. The terrorists were unable to stand in the face of the KDP. They fled, leaving behind many casualties.

On the morning of 5 December, another group of terrorists tried to attack the Barzanis in Dize. The KDP peshmergas pounced and inflicted a new defeat on them.

Our news source says that the terrorists dragged behind them several casualties, leaving behind a number of dead bodies, including that of an official. The Rizqari Battalion captured a radio device while chasing the terrorists.

The terrorists tried their luck again at 1830 on the night of 3/4 December by attacking the position of the 1st Battalion which belongs to the 64th Brigade. The heroic peshmerga of Kurdistan confronted them and destroyed their force. The terrorists fled, leaving behind the bodies of three of their officers. They also dragged a number of casualties behind them.

The peshmerga captured a quantity of equipment and military hardware. The pershmerga are still combing the area in search of PKK dead and wounded.

On the night of 4/5 December, the terrorists tried to terrorize the people of the Sidan Mountain in the (Dikruk-Tashbaygu) and the mountains of (Dojeh) and the central area near the main highway. The triumphant Rizqari heroes attacked them and forced them to flee after inflicting heavy losses on them. The defeated enemy lost a great number of dead and wounded in the (Kiski-Dikruk) mountain. In the central region, they left one body behind and dragged a great number of bodies behind them. They also left six bodies in the (Dojeh) area. Our KDP heroes captured five Kashnikov rifles, 40 RPG shells, 70 hand grenades, a walkie-talkie, a quantity of military supplies, and a recorder.

Al-Sahhaf Confers With Cuban Official

JN0512195295 Baghdad Iraq Television Network in Arabic 1800 GMT 5 Dec 95

[Announcer-read report over video]

[FBIS Translated Text] Foreign Minister Muhammad Sa'id al-Sahhaf met today with Pedro Miret Prieto, Cuban Council of Ministers vice president and State Council member, who is currently visiting the country heading a delegation to attend the Iraqi-Cuban Joint Committee meetings.

The foreign minister reviewed bilateral relations, and emphasized the importance of developing these relations and cooperation between the two countries within the framework of the Nonaligned Movement and other international forums.

Pedro Miret Prieto expressed his country's desire to develop relations with Iraq. He hailed the steadfastness of the Iraqi people in face of the siege and their ability to carry out reconstruction based on self-reliance. He said the full popular support, represented by the public referendum, for President Saddam Husayn was not something strange. He stressed that this fact was a blow to Iraq's enemies.

Peres: Will Not Sacrifice Peace for National Unity

TA0512132995 Jerusalem THE JERUSALEM POST in English 5 Dec 95 p 2

[Report by Liat Collins]

[FBIS Transcribed Excerpt] Prime Minister Shim'on Peres yesterday reaffirmed his commitment to continue Yitzhaq Rabin's peace policies even at the expense of national reconciliation.

"There is a simple message. We won't sacrifice the peace process on the altar of national unity, but if it is possible to unite as many people as possible around the peace process we shall do it," Peres told the Labor faction yesterday.

The first half of the faction meeting was a memorial to Rabin, which included the unveiling of a huge portrait of him by Ma'alot resident and new immigrant Wolf Hayat, and the reading of a poem in his memory by Hayim Hefer.

Peres said he did not want to divide the people in two, but he also stressed that Rabin's assassin was trying to kill the "peace enterprise, not (Rabin) the man. We must carry on without fear. We will not stop. We have a duty to the next generations." [passage omitted]

'Agreement in Principle' Sought in Syria Treaty

TA0512194095 Jerusalem Israel Television Channel 1 Network in Hebrew 1800 GMT 5 Dec 95

[Announcer-read report]

[FBIS Translated Excerpt] U.S. envoy Dennis Ross returned to Jerusalem from Damascus this evening and conferred with Prime Minister Shim'on Peres to brief him on the results of his talks with the Syrian president.

Israel is seeking to obtain a political agreement in principle about the nature of the peace treaty with Syria before deciding on the security arrangements. Our Arab affairs correspondent Ehud Ya'ari reports that before he reveals Israel's proposals to President Clinton next week, Prime Minister Shim'on Peres also wants to obtain a commitment on the part of President al-Asad to conduct uninterrupted and serious negotiations in order to reach a breakthrough within six months. [passage omitted]

[Jerusalem Channel 2 Television Network in Hebrew at 1800 GMT on 5 December quotes "a senior political source" as saying that "Israel would be prepared to forgo an early-warning station presence on the Golan and suffice with the presence of U.S. soldiers on Mount Hermon in exchange for a Syrian agreement to a deep demilitarization stretching all the way to the outskirts of Damascus." The same source is further quoted as noting that "such stations would be of no significance in peacetime when the Syrian Army is deployed near Damascus."]

Syria Conditions To Be Set After Peres, Clinton Meet

TA0612084595 Jerusalem Qol Yisra'el in Hebrew 0505 GMT 6 Dec 95

[Telephone interview with Foreign Minister Ehud Baraq by anchorman Me'ir Einstein; place not given — live]

[FBIS Translated Text] [Einstein] Good morning Foreign Minister Ehud Baraq.

[Baraq] Good morning.

[Einstein] Did Dennis Ross' briefing yesterday provide any encouragement as to the chances of resuming the negotiations with Syria in the near future?

[Baraq] I would not like to engage in premature speculations. First of all, the briefing underscored the fact that a serious and definitely interesting dialogue is under way. In my opinion, ideas are now being examined in Damascus, Jerusalem, and Washington with regard to both approach and content to a certain extent. Both sides are seriously listening to each other. We heard this both from Dennis Ross and earlier from [Russian Deputy Foreign Minister] Posuvalyuk. In essence, I think that both parties understand that peace between Syria and Israel — and we know that peace with Syria has a good chance of leading to an agreement with Lebanon — is very important in the strategic sense to Israel as well as Syria, in my opinion. It has a very good chance of helping to stabilize the peace agreements that have already been reached in the Middle East as well as to facilitate a comprehensive peace. One must be sensitive to the needs of both sides.

[Einstein] When will the picture become clear in your opinion?

[Baraq] I think that only after the meeting between Prime Minister Shim'on Peres and President Bill Clinton next week. It may take a week or two more. Even if the picture becomes clear it does not mean that we will reach an agreement; it only means that we will know whether or not the conditions are ripe for a comprehensive and simultaneous examination of all the outstanding differences between Israel and Syria — and perhaps even more than just between us and Syria. If the appropriate conditions are created, I assume that both sides will exert their most intensive efforts to deal with the issues.

[Einstein] Is one of the conditions that President Hafiz al-Asad drop his demand for an Israeli precommitment to carry out a full withdrawal from the Golan Heights?

[Baraq] I do not want to discuss any details, especially since at this stage we are mainly examining ideas and approaches; however, it is our well-known position that the question of withdrawal be discussed within the general context of all the issues such as normalization, the nature of peace, development, security issues, and early warning. The depth of withdrawal will be discussed in relation to all of these. I believe that the connection between the issues is clear to all, and obviously — if and when we reach that stage — we will implement things in a fashion best integrating our efforts to reach peace on the one hand and our sensitivity to all these issues on the other.

[Einstein] Within the framework of the current dialogue handled through Dennis Ross, is Israel trying to convince the Syrians to establish a secret channel of talks in a bid to promote the negotiations?

[Baraq] I think that in peace negotiations, what ultimately counts are the results and whether or not one can discover a channel or format that enables success. You need both of the parties for this. I do not think that the question of what kind of dialogue develops is important as long as it is acceptable to both sides. In this respect, Israel is very open to almost every idea on how to handle the dialogue from the aspect of format.

[Einstein] Do we today know with certainty that Secretary of State Warren Christopher will conduct a shuttle mission to the Middle East in approximately two weeks?

[Baraq] We do not know this with certainty, and I do not consider it critical. What is important is the meeting between Prime Minister Peres and President Clinton, because this meeting will clarify the results of all the creative thinking that is being done in Washington, Damascus, and Jerusalem. I would like to reiterate that even after the meeting, the full clarification of this issue may take several weeks. We are talking about a process to which all the parties should contribute. It has importance with regard to the content of as well as the future chances for efficiently managing the talks.

[Einstein] Thank you Foreign Minister Baraq.

[Jerusalem Qol Yisra'el in Hebrew at 0500 GMT on 6 December reports that "U.S. mediator Dennis Ross met yesterday evening with Prime Minister Peres in Jerusalem. After the meeting, Itamar Rabinovich, Israel's ambassador to the United States, said that so far nothing has been finalized with regard to the resumption of the talks with Syria."]

Baraq on Golan Withdrawal, Early Warning Sites

TA0512164095 Jerusalem Qol Yisra'el in English 1500 GMT 5 Dec 95

[FBIS Transcribed Text] Israeli Foreign Minister Ehud Baraq said today that negotiations with Syria could resume within two months. David Ze'ev reports:

[Begin recording] [Ze'ev] Foreign Minister Ehud Baraq was speaking to a Diaspora Jewry delegation visiting Israel to mark 30 days since the Rabin assassination. In his Jerusalem address, the new foreign minister spoke of what would happen if Israel believes the Syrians are ready for negotiations.

[Baraq] I feel that it will become clear during the next four or six weeks. If we will find them right for negotiation, we might find ourselves in negotiation in six weeks or two months from now. The negotiations themselves might take a few months and the implementation might take a few years, but we will know the answer within a few weeks.

[Ze'ev] A Syrian official quoted by the REUTERS news agency in Damascus said Israel should abandon its demand of setting up an early warning post on the Syrian side. Foreign Minister Baraq says Israel would be ready for a greater Golan Heights withdrawal if there are early warning and other security arrangements.

[Baraq] Of course, there is a relation between the nature of early warning and security arrangements and the nature of withdrawal that we are ready to do. In 1973 we held all the Golan Heights under our control; we almost lost it once a surprise attack had been launched against us. We hardly could stand against the wave of overwhelming superiority in numbers in the first 36 hours.

[Ze'ev] Baraq, like Prime Minister Shim'on Peres, spoke of a better tone coming from Syria, while in Damascus Syrian officials reportedly welcomed Peres' comments that he is ready to discuss all issues and not just security. [end recording]

Posuvalyuk Notes Syrian Interest To Advance Peace

TA0512133195 Jerusalem Qol Yisra'el in Hebrew 1300 GMT 5 Dec 95

[FBIS Translated Text] Minister Yosi Beilin met in Jerusalem with Russian Deputy Foreign Minister Viktor Posuvalyuk, who has arrived in Israel from Damascus. The guest told Beilin that although he could not point out any changes in Syria's position, he had never before found its leaders so interested in advancing the peace process. Our political correspondent Shlomo Raz reports that most of the Beilin-Posuvalyuk session was held tete-a-tete.

Peres Meets, Commends Golan Residents Committee

TA0512184395 (Internet) Golan Report in English 5 Dec 95

[FBIS Transcribed Text] On Dec. 4th, at the Knesset, five Golan Residents Committee (GRC) representatives met with P.M. Shim'on Peres. The delegation consisted of GRC Chairman Eli Malka, Mayor of Qatzrin Sami Bar-Lev, Golan Regional Council Head Yehuda Volman and Golan activists Amitay Shelem and Yehuda Mali.

PM Peres commended the leaders of the GRC for their excellent job in generating public support through the educational campaign for retaining Israeli sovereignty on the Golan. He said he was well aware that "Ha'am 'Im HaGolan" — the people are with the Golan. The Golan delegates stressed to Peres that the people of the Golan are not against any peace agreement.

A peace agreement that includes transferring Jewish residents and uprooting their communities is not acceptable and would be fought by all democratic means available. They stressed that the what has been created on the Golan by the Golan residents is the true peace. PM Peres was presented with a 15 page paper on historical facts that the Golan was a "Syrian Land" only for a short period in the history, while it was a Jewish land for centuries.

The GRC leaders stated that they know the price Syria is asking to make peace with Israel, and are feeling that the government can find, must find more creative alternatives to offer Syria. PM Peres maintained that there was no change in Syria's attitude or strategy, except for wording statements a little differently, and that the progress on this area was important if the negotiations are to continue. He couldn't say if the Syrians were speaking about true peace, a cold peace or comprehensive peace. Peres said he would not give up anything if he didn't receive something in return. He stated that security was very important as was water issues, but that peace was even more important, and therefore cannot promise that no communities on the Golan would be harmed if the agreement were to take place.

PM Peres promised to continue an open dialogue with the Golan residents and to keep them informed on any developments between Israel and Syria. As a reply to Mayor Bar-Lev, Peres promised to continue the development on the Golan including building new apartments in Qatzrin.

IDF Officer Sees No Change in Syrian Position

TA0512160395 Jerusalem Qol Yisra'el in Hebrew 1500 GMT 5 Dec 95

[FBIS Translated Text] Brigadier General Ya'aqov 'Amidror, head of the IDF [Israel Defense Forces] Intelligence Branch Research Department, says that there has been no change in Syria's fundamental positions regarding the negotiations with Israel and that these positions have not become more flexible.

Our correspondent Yo'el Nir reports that 'Amidror told the Knesset Foreign Affairs and Defense Committee that one of the Palestinians who participated in the kidnapping of the border policemen near Janin was tried by the Palestinians, but was consequently released and now serves as an investigator for the Palestinian Police. 'Amidror noted that the Palestinians fail to implement the extradition agreement with Israel and are constantly violating it. He noted that detainees who were freed from the Gaza prison have resumed hostile activity.

IDF Denies Planned Offensive in Lebanon

TA0512145495 Tel Aviv HA'ARETZ in Hebrew 5 Dec 95 p A4

[Report by Eytan Rabin]

[FBIS Translated Excerpt] Northern Command and General Staff officers have denied claims made by the Syrian and Lebanese media yesterday that the IDF [Israel Defense Forces] plans a wide-scale ground military operation in south Lebanon. According to claims made by Hizballah, the IDF is planning an extensive military operation to cause an escalation in the situation in south Lebanon. It also claims that the IDF is using weapons barred by international conventions.

Hizballah leader Hasan Nasrallah claimed that Israel is planning a military operation and, to this end, has beefed up its armored forces in south Lebanon.

Northern Command officers said in response that the IDF does not plan to expand its operations beyond their current scope. According to a senior Northern Command officer, the IDF plans no wide-scale military operation. He said that the IDF is initiating operations in south Lebanon, but this is no departure from the previous policy. He rejected claims made in Lebanon that the IDF has beefed up its armored force. According to him, units are being moved around, but not reinforced.

Intelligence sources in the Northern Command believe that the escalation in south Lebanon will continue, and that the relative quiet that has prevailed in the area over the past two days is only temporary. The sources believe that the terrorists continue trying to launch offensive operations in south Lebanon, place roadside bombs, and attack IDF and SLA [South Lebanese Army] posts.

According to the sources, Hizballah tightly cooperates with the Amal and Palestinian organizations, and Syria continues to turn a blind eye to Hizballah activities in south Lebanon. [passage omitted]

Military sources believe that the issue of the escalation in Lebanon will also be raised during U.S. envoy Dennis Ross' talks with Israeli representatives here.

TV Reports Baraq Talks With Jordanian Envoy

JN0512214595 Amman Jordan Television Network in English 2000 GMT 5 Dec 95

[Announcer-read report; from the "News at Ten" program]

[FBIS Transcribed Text] Israeli Foreign Minister Ehud Baraq today met with Jordan's Ambassador to Israel Marwan al-Mu'ashshir. The meeting was the first between the new Israeli foreign minister and al-Mu'ashshir.

The two sides exchanged views on bilateral relations and the latest developments in the peace process.

Commentary Views Proposed Defense Pact With U.S.

TA0512165495 Tel Aviv HA'ARETZ in Hebrew 5 Dec 95 p B1

[Commentary by Amir Oren: "Understanding, Not Defense"]

[FBIS Translated Excerpt] Take a bowl full of U.S., add a pinch of IDF [Israel Defense Forces], stir well over a low fire — or better yet, over no fire at all — until you get a U.S.-Israeli defense pact. Here is an appetizing recipe for a dessert to be served at the dinner of peace. We say dinner, not a handout, which means that we will have to pay for it. It is not a freshly-made dessert, but it comes out of an old can that has been gathering dust in the pantry. The reason that this idea has not yet been adopted has not changed: It is nice to fantasize about such a pact, but the price it carries is still too stiff for the Israeli pocket. [passage omitted]

Israel was nestled under the U.S. umbrella as long as the Soviets were the patrons of Egypt and Syria. This was Israel's last line of defense, a line which was never put at risk and whose reason for being has become obsolete. The Soviet Union has disbanded and a reincarnation of a Czarist or Stalinist Russia, even if it possesses the military might, will not be an enemy of Israel.

After doing quite well with three alliances — Britain, the Soviet Union, and the United States [as published] — Israel does not need the appearance but the substance of a defense pact: money, weapons, and technology. The era of prosperity brought about by billions of dollars in aid is about to end. The U.S. Congress overwhelmingly supports Israel, but its resources are scarce since the federal budget must be balanced within seven years and many of its provisions, especially foreign aid, will not survive.

A defense pact between Jerusalem and Washington would take more away from Israel than it would give. No treaty can force a U.S. President (with Congress breathing down his neck) or an Israeli prime minister to commit national suicide or make any other sacrifice that is unacceptable to the public. Israel's ceding of occupied territory will be rewarded with a U.S. presence in areas such as the Golan, which could be used as a springboard for a renewed Arab offensive. However, such a move — whose discussion began four years ago, back in the days when James Baker was shuttling between al-Asad and Shamir — could also be made without a defense pact. If Washington were to decide that Iran deserves a preemptive strike, such a decision could be implemented regardless of whether or not there is such a pact.

Back during Camp David, Harold Brown, Carter's defense secretary, briefly toyed with the idea of a pact in order to squeeze an additional withdrawal out of Israel. Reagan was the first who intoned the cherished words "Israel is a strategic ally." Times have changed. What has not changed is the need to leave it to the Americans to propose such a pact — and for us to delicately turn down a package with strings attached, but not the gifts inside it.

Security Head on PA Steps Against 'Armed Groups'

TA0312193295 Jerusalem Qol Yisra'el in Hebrew 1900 GMT 3 Dec 95

[FBIS Translated Text] Brigadier General Herzl Getz, the head of the Israeli security committee, said that the Palestinian Authority [PA] should take additional steps to restrain the activities of armed groups operating outside the PA's framework.

Getz was speaking after a meeting between Major General Gabi Ofir and General al-Hajj Isma'il Jabr. At the meeting, the Palestinians reported on the steps they had adopted following the kidnapping of two border policemen in Janin.

Brig. Gen. Getz said that the prison sentences handed down against the two members of the Black Panther gang who abducted the border policemen were adequate. Getz stressed that the IDF [Israel Defense Forces] redeployment would continue as planned. Brig. Gen. Getz was speaking to our correspondent Yoni Ben-Menahem.

Administration Confiscates Collaborators' Weapons

TA0512055295 Jerusalem Qol Yisra'el in English 0500 GMT 5 Dec 95

[FBIS Transcribed Text] The Civil Administration on the West Bank has begun confiscating weapons from hundreds of Palestinians who cooperated with Israel. Military sources told Qol Yisra'el that weapons were being taken from people whose lives were not in danger. The Civil Administration fears that the weapons may be handed over to the Palestinian Authority.

Two Soldiers Wounded Near Nabulus; Students Riot

TA0612063695 Jerusalem Qol Yisra'el in English 0500 GMT 6 Dec 95

[FBIS Transcribed Text] North of Nabulus, two soldiers were shot and wounded, one of them seriously, the other lightly. The incident took place last night when shots were fired at them as they were traveling in an army ambulance. The soldier seriously injured is being treated at Tel Hashomer Hospital in Tel Aviv, while the other soldier is at Jerusalem's Hadassah Hospital. The IDF [Israel Defense Forces] is investigating the incident.

Military sources say over recent days the scope of attacks against Israeli vehicles has increased on the roads of Judaea and Samaria. The sources believe the attacks are being carried out by opponents to the peace process among the Palestinians. Speaking to Qol Yisra'el, the sources noted that the number of attacks in the Gaza Strip also increased before Israel pulled out of there.

And at Joseph's tomb in Nabulus, dozens of Yeshiva students from Qever Yosef Yeshiva prevented the military commander in the area and his Palestinian colleague from touring the site. The incident occurred last night when the two men requested to tour the area in advance of the IDF's redeployment. The students encircled the men and yelled slogans at which point the two left the area.

The head of the Yeshiva, Rabbi Eli Rosenfeld told Qol Yisra'el the students were not opposed to Israeli officers' entering the area, but rather to the presence of the Palestinian officers. The IDF's Central Commander, Major General Ilan Biran, said the police are to investigate the students' actions.

Settlers Set Up Camp To Show 'Jewish Presence'

TA0412164595 Jerusalem Qol Yisra'el in Hebrew 1500 GMT 4 Dec 95

[FBIS Translated Text] Settlers from the Mate Binyamin area have set up an encampment in the 'Ayn al-Fawwar nature site in Wadi al-Qilt and are manning it round the clock. Pinhas Wallerstein, head of the Mate Binyamin Council, told our correspondent Gil Litman that to the best of his knowledge all the necessary permits had been obtained. He noted that they had not set up an encampment but were merely running a nature site and demonstrating a Jewish presence in a place where two Jewish hikers were murdered by terrorists a few months ago.

State Memorial Service Held for Rabin

TA0512154495 Jerusalem Qol Yisra'el in Hebrew 1400 GMT 5 Dec 95

[FBIS Translated Text] A state memorial service marking 30 days since the assassination of Prime Minister Yitzhaq Rabin was held today on Mount Herzl in Jerusalem. It was attended by Rabin's family, the president of the state, the prime minister, cabinet ministers, and other dignitaries.

In his eulogy, Prime Minister Shim'on Peres said that Yitzhaq Rabin had made a courageous decision to persevere on the road to peace. Chief army chaplain Gad Navon read a chapter from Psalms, and chief army cantor Arye Braun recited a prayer for the dead.

Memorial services for Yitzhaq Rabin are also being held today throughout the world. Our correspondent Shlomo Raz reports that the parliament in India opened its winter session with a special announcement in memory of Rabin, while a ceremony in Cyprus was attended by President Glavkos Kliridhis and his two predecessors.

Yig'al 'Amir Charged With Premeditated Murder

TA0512160495 Jerusalem Qol Yisra'el in English 1500 GMT 5 Dec 95

[FBIS Transcribed Text] Yig'al 'Amir, the man who confessed to killing Yitzhaq Rabin, has been indicted on charges of premeditated murder. His brother Hagay and another suspected accomplice, Dror 'Adani, have been charged with complicity in the conspiracy to assassinate the prime minister. The two 'Amir brothers are also being charged with attacking Arabs. According to the indictment, there are 43 witnesses against the accused.

The prosecution, which tomorrow will ask that they be held in custody until the end of proceedings, is recommending that a bench of three judges hear the charges.

'Amir is to be represented by a lawyer from the settlement of 'Imanu'el, Yonatan Ray-Goldberg.

Trial To Start 19 Dec

TA0612095195 Jerusalem Qol Yisra'el in Hebrew 0800 GMT 6 Dec 95

[FBIS Translated Text] The trial of Yig'al 'Amir, the assassin of Prime Minister Yitzhaq Rabin, will open on 19 December at the Tel Aviv District Court before a panel of three judges headed by Edmond Levi. Earlier, the president of the Tel Aviv District Court extended the remand of Yig'al 'Amir until the end of legal proceedings.

Attorney Yonatan Ray-Goldberg said he was not opposed to the extension of 'Amir's remand seeing that he had already confessed to committing the murder. Our correspondent 'Anat Peleg reports that today the police prevented journalists from making contact with the murderer so as to prevent 'Amir from using the opportunity to voice his political views.

This morning, Attorney Mordekhay 'Ofri rejoined 'Amir's defense team. He is assisting Yonatan Ray-Goldberg, who has been hired to handle the assassin's legal defense.

[Jerusalem Israel Television Channel 1 Network in Hebrew at 1800 GMT on 5 December reports that "an American organization, which is zealously concealing its identity, is financing 'Amir's legal defense."]

Hagay 'Amir and Dror 'Adani have been remanded in custody for another month. Their attorneys will study the evidence against them until a hearing is held on the authorities' request to remand them in custody until the end of legal proceedings. Our correspondent reports that the prosecution announced that it will soon press charges against Avishalom Weinberg on suspicion of conspiring to commit a crime by planning together with the 'Amir brothers and Dror 'Adani to murder terrorists who were scheduled to be released as part of the agreement with the Palestinians.

In an interview to Qol Yisra'el, Justice Minister David Liba'i explained that it had been decided to submit two separate indictments in connection with the murder: one against Yig'al 'Amir, who is accused of assassinating Prime Minister Yitzhaq Rabin, and another against the 'Amir brothers and their accomplice Dror 'Adani. They are charged with forming an underground group in order to torpedo the Oslo agreement and planning to murder Yitzhaq Rabin, Shim'on Peres, and Palestinians. Justice Minister Liba'i explained the decision by saying that in the course of the suspects' interrogation, it was revealed that Yig'al 'Amir had acted alone in the assassination of Prime Minister Rabin, whereas the other two were not accomplices to the actual murder itself. Liba'i explained that issuing only one indictment would have seriously complicated and unnecessarily prolonged the trial. Liba'i added that the mandate given to the Shamgar Commission investigating the assassination was designed not to undermine the court's proceedings. Pointing out that the commission was not investigating the murder itself but merely the circumstances that enabled its occurrence, the justice minister noted that it would draw the relevant conclusions with regard to the future.

King Husayn, Peres Hold Talks in Amman

JN0612130795 Amman Radio Jordan Network in Arabic 1200 GMT 6 Dec 95

[FBIS Translated Text] Talks between the Jordanian side led by His Majesty King Husayn and the Israeli side headed by Prime Minister Shim'on Peres opened at Raghadan Palace at noon today.

Mr. Shim'on Peres arrived in Amman this morning on a short visit to Jordan. He was received by His Excellency Prime Minister al-Sharif Zayd Bin-Shakir; Marwan al-Qasim, chief of the Royal Hashemite Court; and the Israeli ambassador in Amman.

Foreign Minister 'Abd-al-Karim al-Kabariti said Israeli Prime Minister Shim'on Peres' visit to Jordan is aimed at putting the finishing touches on the bilateral agreements signed between Jordan and Israel in the previous stage. In an interview with Voice of the Arabs Radio, the minister said two agreements in the areas of transportation and scientific and technological cooperation will be ratified. He expressed hope the two sides will conclude agreements in the various areas of cooperation. He said that meetings of senior Jordanian officials with Peres will also deal with the results of Amman economic summit held in late October.

Al-Kabariti on Peres Visit, Peace, Cooperation

NC0612083995 Cairo Voice of the Arabs in Arabic 0610 GMT 6 Dec 95

[Telephone interview with Foreign Minister 'Abd-al-Karim al-Kabariti, in Amman, by Fayiz al-Miliji, in Cairo; date not given; from the "Dialogue From Afar" program — live or recorded]

[FBIS Translated Text] [al-Miliji] How important is Peres' visit and what will his majesty the king and Israeli Prime Minister Shim'on Peres discuss?

[Al-Kabariti] This visit is particularly significant, since it precedes new Prime Minister Peres' trip to Cairo and the United States. It takes place in an atmosphere characterized by optimism that agreements will be reached as part of the efforts to reach a comprehensive and just peace on the Palestinian, Syrian, and Lebanese tracks.

Jordan is very eager to complete the accords resulting from the Jordanian peace treaty; this will be on the agenda of the Jordanian-Israeli meeting. Jordan is also eager to support all efforts aimed at concluding the Palestinian-Israeli negotiations and reviving the Syrian and Lebanese negotiations with the Israeli side.

[Al-Miliji] Minister, if we were to ask you to elaborate on bilateral cooperation issues, which you said were represented by the implementation of the agreements signed between you and Israel, what would you say?

[Al-Kabariti] Several agreements have resulted from the Israeli-Jordanian treaty. Only two transport accords and another two on cooperation on science and technology remain. Some points are still being discussed. We hope the Jordanian and Israeli delegations, during Prime Minister Peres' visit to Jordan, can reach agreement on these sticking points, which are, after all, technical points. With the signing of these agreements, the programs of Jordanian-Israeli cooperation stipulated in the accords will be complete. They cover almost all the issues, whether trade exchange or cooperation on the protection of the environment, water, trade, science and technology, and transport. All of these consider Jordan's interests and achieve a balance between Jordanian-Israeli and Jordanian-Palestinian relations.

[Al-Miliji] As for peace efforts on the Palestinian-Israeli track, do you have contacts with the Palestinians in this regard?

[Al-Kabariti] Our contacts with the Palestinian Authority are on an almost daily basis; they are intense. The prevailing climate at these contacts is one of sincere brotherhood and mutual trust.

[Al-Miliji] Let us move to another subject—the recent Amman economic summit and its agreements. Will this issue be discussed during King Husayn's meetings with Prime Minister Shim'on Peres?

[Al-Kabariti] The discussion is bound to touch on the great success achieved by the Amman summit and the expected successes of the Cairo summit. We hope the general framework, executive programs, accords, or common views held by all the governmental and nongovernmental participants in the Amman conference will be followed up intensely. The aim is to translate them into practical formulas reflecting positively on the region's economy and standard of living. We are confident that the Cairo summit, God willing, will form a suitable framework to deepen and broaden economic cooperation among all the countries that took part in the Amman economic conference. We hope the cooperation will increase to cover all the region's countries, since Cairo is bound to be a center that will attract all the parties.

Al-Kabariti Cited on Meeting With Syria's al-Shar'

MM0512122895 London AL-HAYAH in Arabic
5 Dec 95 pp 1, 6

[Unattributed report: "Kabariti: Syria Will Not Allow Field Operations Against Jordan"]

[FBIS Translated Text] Amman, AL-HAYAH — Jordanian Foreign Minister 'Abd-al-Karim al-Kabariti stressed yesterday that the meeting he held with his Syrian opposite number Faruq al-Shar' in Barcelona last week has led to an agreement on the suspension of media campaigns between the two countries, which were launched as a result of their differences over positions on Iraq.

Al-Kabariti told AL-HAYAH that his meeting with al-Shar' was "vital and constructive." And that both of them "supported a halt to the escalation" in relations. He pointed out that al-Shar' stressed to him that Syria "will not in any way allow any party to carry out field operations against Jordan from Syrian territory," pointing out that "Syria's security is Jordan's security."

Al-Kabariti had expressed his concern over information that there are plans for extremist groups based in Damascus to carry out terrorist operations against Jordan.

The Jordanian minister, who was seen putting his arm around his Syrian opposite number more than once when they arrived in and left the conference room, expressed his satisfaction with the Syrian assurances and Damascus' eagerness to halt the escalation with Jordan.

Tension arose in relations following statements by Syrian Vice President 'Abd-al-Halim Khaddam, in which he criticized Jordanian policy toward Iraq, saying that it is aimed at partitioning Iraq. Al-Kabariti replied to Syrian criticisms at the time, describing them as "political hypocrisy."

Minister Denies Plan To Meet Israeli, Iraqi Counterparts

JN0612094695 Amman AL-ASWAQ in Arabic
6 Dec 95 p 2

[Report by Nadiya Sa'd-al-Din]

[FBIS Translated Excerpt] Energy Minister Samih Darwazah has said that Israeli energy minister, who will visit Amman tomorrow, will meet only with Jordanian businessmen to discuss the possibility of establishing a power station in al-'Aqabah and providing Israel with power. He denied he will meet with his Israeli counterpart during the latter's visit. [passage omitted]

Darwazah also denied reports that he will meet with his Iraqi counterpart. He said: The Iraqi minister will transit Jordan en route to Cairo, where he will attend the Arab oil ministers' conference. Therefore, we will not be able to hold a bilateral meeting.

He noted that the Iraqi-Jordanian pipeline project was postponed for an unspecified period for technical and finance-related reasons. He said the cost of the project is $300 million, and no foreign parties offered to finance the project.

Regarding the possibility of providing the Palestinian National Authority with oil, Darwazah said: This offer was made by the Palestinian side. However, they did not officially inform us about the quantity of oil they will need. They asked Iraq to provide them with oil to be refined in Jordan. But, the UN turned down the request for well known reasons. For our part, we are ready to provide them with oil, which we will import from other Arab states to be refined here. We will sell them oil at cost prices.

Darwazah said: We intend to discuss soon the possibility of importing gas from Saudi Arabia. This gas will be used in generating power and in some heavy industries, given that it is cleaner and saves more money. Jordan needs some 200 million cubic meters of gas to meet part of its requirements. In the meantime, we get 30 million cubic meters of gas from al-Rishah area. There are many gas fields close to Saudi Arabia.

He noted: There are no proposals on importing oil from Saudi Arabia, as Jordan is still importing Iraqi oil. There are no hidden problems in this regard.

Jerusalem Sources: Amman Working To Replace Saddam

TA0512115995 Tel Aviv MA'ARIV in Hebrew
5 Dec 95 p 9

[Report by Hemi Shalev]

[FBIS Translated Text] Jordan is working to bring about a revolution in Iraq, overthrow Saddam Husayn's regime, and introduce a federative regime instead. This was reported last night by political sources in Jerusalem.

The sources said that the Jordanians have recently discussed their plans with the heads of the U.S. Administration. Sources in the know about the dialogue said that the Americans are showing an interest in the Jordanian plans, although they do not believe that they are enough to change the situation in Iraq.

Both unclassified and secret reports that have reached Jerusalem indicate that Jordanian officials have recently held frequent meetings with the heads of the Iraqi opposition in a bid to form a uniform front that could be an alternative to the Saddam regime. According to the reports, Jordan wants Iraq to remain a single entity but to be run by a federative regime composed of three distinct entities: Sunni, Shiite, and Kurdish.

Editorial Questions Interest in Interfering in Iraq

JN0512112295 Amman AL-MAJD in Arabic 4 Dec 95 p 12

[Article by Fahd al-Rimawi: "Who Benefits From Dividing Iraq?"]

[FBIS Translated Excerpt] I do not see the logic behind the official Jordanian efforts to change the situation in Iraq. I do not think it is in Jordan's real interest to interfere in Iraq's internal affairs in order to topple the regime or weaken the central government there and turn it into a federal one.

The United States and Israel may have an interest in fragmenting Iraq, aggravating the situation there, dividing its people, and toppling the regime. Where is Jordan's interest in all this, and what makes it think that any new scenario in Iraq will bring it greater benefits, security, and goodneighborly relations?

Over the past 15 years, Iraq has been a true supporter of Jordan and a brotherly ally which placed all its financial and political resources at our disposal. It also opened its markets to our goods of high and low quality alike, and kept its oil flowing into our country at all times at the lowest of prices. What more do we want from Iraq?

Iraq has for the past 15 years been a solid wall protecting Jordan's security and stability, and expelling those antagonizing Jordan or wishing it harm. It has also urged its allies to buttress Jordan's stability and back its regime. What more do we want from Iraq?

Over the past 15 years, an entire generation of Iraqis and Jordanians were brought up on principles of brotherhood, love, and common understanding. Many strong friendships and special relationships were established among officials of various levels in the two countries. How can one wipe out what has been firmly entrenched throughout an entire generation? How can old friendships be terminated? [passage omitted]

I do not agree with many of the Iraq regime's practices. I have disagreed with it publicly, and expressed this in more than one article throughout the rule of President Saddam. Some of the strict Ba'thists are probably still angry with me. However, disagreeing with the regime is one thing, and toppling it and dividing Iraq is something else. What we should do is to talk the regime into getting rid of its negative aspects rather than counter its most positive points. We should rekindle the flame of Iraqi national reconciliation and foster the pillars of the state, rather than mobilize the Iraqi opposition under the banner of defecting General Husayn Kamil, who is using Jordan as a channel to conspire against his country and the regime that unjustly placed him in the highest of positions.

Perhaps the most dangerous thing is that the fires of sedition and division will not be confined to Iraq. They will immediately spread to Egypt, Saudi Arabia, and other Gulf and Arab states. Go back in history and see how the Arab-Islamic states were torn up into pieces when Baghdad, the capital of the Abbaside state, became weak and turned into a springboard for the Moguls and Tatars to attack the rest of the Arab East.

There is no doubt that the fragmentation and division scheme will not be confined to the Arab world in terms of scope and harm, but will later transcend it to the Muslim neighbors in Iran, Turkey, and Pakistan, who are suffering from ethnic and sectarian trends, some of which are currently flaring and others dormant pending a chance to flare up.

The Israeli-U.S. fingers will not cease interfering in Arab and Islamic affairs no matter how much we appease, pacify, or ally ourselves with them. They will not stop tampering with the bonds of Arab unity and both Arab and Islamic security, even if they change their styles or develop their methods. They will not spare or exempt any country regardless of their different priorities in supporting this party or fighting that one. According to the U.S.- Israeli concept, all are enemies or goyim, whom they should not stop destroying, displacing, and impoverishing before they hand over the leadership to the hegemony of the Zionist state that considers the next century the century of Israel, just as this century is considered the century of the United States and the 19th century that of Britain. One of the well-known sayings of Caliph 'Umar Bin- al-Khattab was: He who does not follow his instinct should not regret the consequences.

Officials Meet To Amend Press, Publications Law

JN0512181895 Amman Radio Jordan Network in Arabic 1600 GMT 5 Dec 95

[FBIS Translated Text] Dr. Khalid al-Karaki, deputy prime minister and information minister, has chaired a meeting to study amending the Press and Publications Law.

The meeting was attended by the minister of justice, the Information Ministry's legal adviser, the doyen of journalists, the director general of the Press and Publications Department, the director general of the JORDANIAN NEWS AGENCY, the acting secretary general of the Information Ministry, and a number of Information Ministry advisers. Here are further details:

During the meeting, Dr. al-Karaki said: The government is committed to democracy, pluralism, and public freedoms, led by the freedom of expression and organization. The government expresses this commitment in all its actions and practices and in the legislation it endorses. The introduction of regulations which preserve the dignity of the homeland and citizens and safeguard the interest of Jordan and its good relations with other states comes within this framework.

He added: The government will not embark on any action that undermines the Jordanian people's cultural gains which were realized through their creativity, patience, and sacrifices under their democratic option. He also pointed out that the exercise of freedoms and rights needs regulations to protect these freedoms and safeguard the rights of all within the framework of commitment to the provisions of the Constitution and the pillars of the [Jordanian National] Charter. He said: These regulations are approved in a democratic manner and through the legal institutions away from one-upmanship and casting doubts on the homeland's march, which has become a distinguished model attested by the whole world.

Dr. al-Karaki added that the attempts by some to fabricate positions and replying to them do not serve the free democratic dialogue whose positive results are achieved through wide discussions within the framework of respecting the other opinion and refraining from repressing the freedom of expression on the pretext of protecting the other opinion.

He asserted that the government takes pride in the role of the Journalists' Association, in the Jordanian press and journalists, and in their continued efforts to protect the freedom of the press and confront any encroachment undermining this freedom or harming Jordan's civilized image, security, stability, and Arab and Islamic values or harming the achievements of our great people and their firm confrontation of challenges in the years of great construction throughout this century.

Dr. al-Karaki added that the government's endeavor to amend the Press and Publications Law will be referred to the Parliament. This will not be a secret scheme, but will undergo large-scale dialogue and discussion. He said that under no circumstances will the government reinstate the previous press censorship.

He added: We will submit a draft law amending the Press and Publications Law after finalizing the studies and discussions with all parties concerned. It will be a law on freedoms, limiting excesses, closing loopholes, and protecting the homeland from all that harms the dignity of its people and achievements or creates enmities among its sons who—under their Hashemite leadership—are enjoying a life dominated by tolerance, progress, participation in human activities, and the defense of freedom, human rights, and democracy.

Dr. al-Karaki also asserted that it is not possible to ignore what is published in some newspapers which try to market chaos as democracy. These cases will be addressed in accordance with the law. He added: Those who try to make imaginary comparisons between the legislation on freedom in Jordan and legislation in other states are merely seeking to fabricate a conflict and foment sedition whose objectives are already exposed.

He added: We, in Jordan, are a civilized and democratic society which seeks to amend its laws through the legal constitutional channels within a civilized and democratic framework, and each group has the right to express its opinion. He said: The government's policy in this regard is clear, and His Excellency Prime Minister al-Sharif Zayd Bin-Shakir has frequently stressed that the government is determined to do its best to work out the regulations and rules which guarantee that there will be no departure from the limits of responsible freedom and no undermining of the Jordanian Arab society's values, morals, and national unity. These regulations and rules will preserve the homeland's image and great achievements from distortion and disregard in consultation with all parties and circles concerned and with the constitutional institutions.

Buwayz Expects Peres To Take New Proposals to U.S.

NC0512182295 Beirut Voice of Lebanon in Arabic 1715 GMT 5 Dec 95

[FBIS Translated Text] Foreign Minister Faris Buwayz expects Israeli Prime Minister Shim'on Peres to carry with him to Washington some new proposals on the peace process. He added: It remains for us to see if these proposals are practical and make room for promoting the peace process or are merely for propaganda.

Lebanon today received an invitation to attend the meetings of the Refugees Committee of the multilateral talks. The committee will meet in Geneva between 12 and 14 December. As is known, Lebanon refuses to participate in the multilateral talks. The invitation was handed to Minister Buwayz by U.S. Charge d'Affaires Ron Schlicher, Russian Ambassador Gennadiy Ilichev, and Swiss charge d'affaires Walter Sutter [name as heard].

Birri, al-Hariri Discuss Peace, Other Issues

NC0512174495 Beirut Radio Lebanon in Arabic 1630 GMT 5 Dec 95

[FBIS Translated Excerpt] The Lebanese-Syrian talks held in Damascus last night have concluded. Speaker Nabih Birri returned to Beirut early this morning, while Prime Minister al-Hariri returned to Beirut this afternoon after meeting Syrian Vice President 'Abd-al-Halim Khaddam and senior Syrian officials this morning. [passage omitted]

Speaker Birri, Prime Minister al-Hariri, and Minister Junblatt held talks in Damascus yesterday on the latest regional developments and issues of interest to both Lebanon and Syria, chief among them the peace process, particularly since the Lebanese and Syrian tracks run in parallel. Yesterday's talks stressed the existing cooperation among the Lebanese leaders in a way that strengthens the Lebanese national rank and enhances Lebanese-Syrian steadfastness in the face of various challenges.

Discussion during the talks on the regional level centered on three issues: Recent developments in south Lebanon and the need for Lebanese-Syrian coordination to back the Lebanese position in the face of rising Israeli aggression; a review of Israeli affairs following the assassination of Israeli Prime Minister Yitzhaq Rabin; and the peace negotiations and U.S. Coordinator Dennis Ross' tour. In this regard, the Syrian officials emphasized that Damascus is waiting to see what Ross brings from Israel and that the Syrian stance is clear and known.

On Lebanese internal affairs, sources pointed out that talks in this regard proceeded from the need to consolidate stability and accord. The sources noted that talk about the election law is being delayed until after the second half of February 1996. Problems within the Druze community concern the Druze, the sources added, noting that Speaker Birri stressed that he and the Chamber of Deputies are prepared to create a suitable atmosphere for solving this problem.

Buwayz Briefs al-Hirawi, al-Hariri on Barcelona

MM0512170295 London AL-SHARQ AL-AWSAT in Arabic 5 Dec 95 p 5

[Unattributed report: "Lebanese Foreign Minister Hopeful That Peace Negotiations Will Resume Shortly"]

[FBIS Translated Text] Beirut, AL-SHARQ AL-AWSAT — Lebanese Foreign Minister Faris Buwayz has stressed that "there are positive signs pointing to the resumption of the stalled peace negotiations. The coming weeks will determine how significant these signs are." Minister Buwayz, on his return from the Barcelona conference, called yesterday on both President Ilyas al-Hirawi and Prime Minister Rafiq al-Hariri and briefed them on the conference and its outcome.

After his meeting with President al-Hariri, Buwayz said: "The Barcelona conference addressed both political and economic issues. The first were expressed in the closing statement which included the basic four points which concern us as an Arab state. We had demanded that they be included, namely the land-for-peace principle, the peoples' right to confront occupation with all legitimate means, and the principle of a just peace based on the relevant Security Council resolutions." He added: "The economic principles revolve around the principle of free economy and the principle of free dealing which will be crystallized through the competent committees negotiating with the EU."

He pointed to the possibility of holding a meeting of the ministers of industry, finance, economy, agriculture, and environment with Prime Minister al-Hariri to discuss a mechanism to deal with the outcome of the Barcelona conference, explaining that "the Barcelona conference has absolutely nothing to do with the multilateral conferences." Buwayz said that "the resistance in the south is a reaction to the occupation. Resistance is not the issue because it is a reaction to the occupation in the south and the western al-Biqa'." He added: "Israel is incapable of providing security and stability through occupation because it has been proved that the Israeli occupation of the south is not protecting the Israeli border areas from the security consequences of this occupation."

Buwayz spoke of "positive signs pointing to the resumption of the stalled peace negotiations and certain prospects which will determine how serious these proposals are."

He added: "Naturally, after the indication given by Shim'on Peres following Rabin's assassination, there is now an attempt to reactivate the negotiations which could emerge from the negotiations between Peres and U.S. President Bill Clinton in the United States. If there are new practical proposals, I believe that Ross will come to promote these proposals and this could be the start of a new attempt at pushing the peace process." He added: "The practical implementation is in line with the views that we have heard through the media. This practical implementation should prove positive in removing obstacles such as the early-warning stations and the border issue."

SLA Commander Blames Government, Syria for Attacks

NC0512170795 Kafr Killa Voice of the South in Arabic 1430 GMT 5 Dec 95

[FBIS Translated Text] Staff Major General Antoine Lahd, commander of the South Lebanese Army [SLA], has stressed that the Lebanese Government and those behind it must learn that we will not budge from this area before peace prevails. He said that when peace has been achieved, all problems will be solved. He added: We are ready to shoulder our share for peace, however, if peace is not achieved, no military force can remove us or our friends from here.

In a speech in Bint Jubayl at a ceremony during which he and General 'Inbar, commander of the liaison unit, raised the Lebanese flag over a club building built by the civil administration affairs in the town, Gen. Lahd said that the Lebanese Government failed to perform its duty in this area, which forced the Israeli army to enter it. We are not opposed to good relations between the Lebanese and Syrian Governments or to Lebanon and Syria being allies. Nor do we want Lebanon to sign a peace agreement alone, before Syria.

However, we and everyone else know that the alliance must work in war and peace, but not what is happening now. The current alliance allows for war on our land and not on Syrian territory. Moreover, the Syrians are forcing us not to reach peace before they themselves reach it. If they really wanted us to be true allies, they would have allied themselves with us for better or for worse.

Gen. Lahd wondered why military operations are allowed in our area but not on the Golan, adding: Either we and Syria agree for better or for worse, or we must be left to proceed on our way and achieve what serves the interests of Lebanon and all the Lebanese. Addressing the people he said: Your guilt in the view of the Lebanese Government and those who are fighting us is that you stayed in your homes and safeguarded your land and have not given up one inch of Lebanese territory. Regrettably, he added, there is no state to protect you. You, as well as we, have been forced to act to safeguard Lebanese territory. Neither we nor your are to blame for the Palestinians and Hizballah coming to this area to liberate Jerusalem via south Lebanon. Concluding, he said, Hizballah is not the one that is forcing the people out of this area; rather, it is the Lebanese Government that is doing this. We will only recognize this state when it becomes a strong one. Then we will go to this government and say come and take over this area.

Gen. 'Inbar said that the peace process in this region will continue despite the recent attacks, because the people want peace. He emphasized that Israel will continue to help the people of this area economically, socially, and security-wise and will help them to improve their living conditions. He voiced his hope that the peace process will make the Lebanese and Israeli people live like one people in the future.

One Israeli Said Dead, 4 'Guerrillas' Hurt in Clash

NC0612093495 Beirut Voice of Lebanon in Arabic 0915 GMT 6 Dec 95

[FBIS Translated Text] Israeli forces shelled the villages of Shaqra and Majdal Silm this morning. Security sources said three Israeli soldiers were wounded when an Israeli force tried to advance toward Wadi al-Saluqi near Shaqra, where a violent clash ensued with Resistance fighters.

[In a related report, Paris AFP in English at 0918 GMT on 6 December adds the following: "An Israeli soldier and four guerrillas were killed in a clash in the occupied security zone in south Lebanon on Wednesday [6 December], security sources said.

["Another Israeli soldier was wounded in the clash after guerrillas attacked an army patrol in the buffer zone near Tallusah in the central sector of the zone."]

IDF Soldier, 3 SLA Troops Wounded in South

TA0612114295 Jerusàlem Qol Yisra'el in Hebrew 1100 GMT 6 Dec 95

[FBIS Translated Text] An IDF [Israel Defense Forces] soldier was lightly injured and three SLA [South Lebanese Army] troops were wounded, one of them critically, in south Lebanon this morning. Foreign news agencies reported that four terrorists were killed in the clashes.

Our correspondent Ilan Ro'e reports that the IDF soldier was lightly wounded by a sagger missile fired at an outpost near al-Tayyibah. The three SLA soldiers were wounded after their car drove over an explosive charge. In the past hour, there has been a drop in the scope of the artillery exchanges in the area. Our correspondent Mikha'el Gurdus reports that Hizballah took responsibility for the incidents.

Fatah Leader Discloses Attempts on Life

NC0512194395 Beirut AL-ANWAR in Arabic
2 Dec 95 p 5

[FBIS Translated Text] Sidon, AL-ANWAR — Fatah Leader Colonel Munir al-Maqdah has disclosed an Israeli-Palestinian network to assassinate him. He indicated the defendant, Rawhi Sayf-al-Din Yusuf Abu-Sayf, who was born in Nabulus in 1963 and is accused of trying to carry out the assassination. Col. al-Maqdah said that this is a new Lahdist officer. [reference to Major General Antoine Lahd, commander of the South Lebanese Army]. He said that what this defendant recounted shows that the assassination of brother Fathi al-Shaqaqi was planned the same way and took place at the same office from which this new Lahdist emerged.

They hold conferences in Europe and Barcelona on the combatting of terrorism, or the so-called combatting of terrorism in their homes. We tell them that we will continue our armed struggle against the occupation until they leave the land of Palestine. He added: We had expected such acts, particularly after the assassination of a number of Hizballah officials. This is not new for the traitors who have created a new Lahdist strip for the Israeli occupation.

Hizballah's Qasim on Ban of Hijab in Beirut Schools

NC0612073195

[FBIS Editorial Report] Beirut AL-'AHD in Arabic on 24 November carries on page 12 an 800-word report on various ceremonies held in Lebanon at which adolescent females were seen wearing the Islamic dress known as the "hijab." Speaking at a ceremony, Hizballah Deputy Secretary General Shaykh Na'im Qasim said: "The hijab is the silent cultural challenge that shakes the foundations of atheism and frightens the so-called advocates of freedom and human rights, particularly the rights of women." He added: "The hijab has scared the regime in France, prompting the Cabinet and Ministry of Education to stand firmly against a few veiled sisters in schools." Shaykh Qasim "criticized the ban on the hijab" in some schools in predominantly Muslim West Beirut. He said the hijab is a sign of woman's obedience to God and that it threatens "the false ideas" of those supporting the ban.

Speaking at another ceremony, Hashim Safiy-al-Din, a member of the Hizballah Shura Council, said: "Some believe the hijab restricts a woman; in fact, it is a bounty from God and a sign of obedience to him." It protects the woman and the society from various sins. He added that "the enemies of Islam" are trying hard to keep people away from their God and religion. They are working hard to keep the people away from genuine Islamic teachings, especially the "idea of the hijab," under pretexts of "modernism and progress."

Newspaper Reports Controversy of Election Law

NC0612112795 Beirut AL-ANWAR in Arabic
30 Nov 95 pp 1,15

[FBIS Translated Text] Reliable political sources have disclosed that an acute "crisis of confidence" has begun to threaten the current alliance between President Ilyas al-Hirawi, Prime Minister Rafiq al-Hariri, and Minister Walid Junblatt. The sources said that contradictions are increasing daily among the parties to the "extension alliance" [reference to the extension of the term of President al-Hirawi for another three years]. They said that this alliance is threatened with the collapse in view of the differences among the three over the new parliamentary election law.

The same sources told AL-ANWAR that President al-Hirawi and Prime Minister al-Hariri are united by the desire to divide the al-Shamal [North Lebanon] Province into two electoral constituencies. In this way, al-Hirawi will deal a harsh blow to former Prime Minister 'Umar Karami while al-Hariri will deal a similar blow to former minister Sulayman Franjiyah. However, Al-Hirawi and al-Hariri are divided by the Jabal Lubnan [Mount Lebanon] problem. Al-Hirawi wants to make Jabal Lubnan one province and one constituency for Christian considerations following promises and pledges he made to [Maronite] Cardinal Sfayr. Al-Hariri wants to honor to his promises to Minister Junblatt that Jabal Lubnan be divided into two or three constituencies.

Al-Hirawi had also envisaged turning the al-Biqa' Province into two electoral constituencies but this proved to be difficult and he accepted the principle of one constituency.

The same political sources explained that President al-Hirawi is maneuvering to adopt one constituency for Jabal Lubnan to obtain electoral gains. This has aroused the resentment of Prime Minister al-Hariri and Minister

Junblatt. Following their meeting in Quraytim yesterday evening, in the presence of Minister Marwan Hamadah, al-Hariri and Junblatt expressed disappointment with al-Hirawi's stand. Al-Hariri expressed fear that President al-Hirawi will renege on his previous promises and pledges regarding the election law. Junblatt supported and defended the extension of al- Hirawi's term in return for a promise that Jabal Lubnan will be divided into two or three constituencies. This will enable Junblatt to impose his full control on the Druze community and eliminate his traditional foes.

Several quarters in North Lebanon have expressed disappointment with the tendency to divide the al-Shamal Province into two electoral constituencies. They described this as a "seditious plan" because there is a consensus that the province should remain one constituency. They also denounced any recourse to "political revenge" by the president and the government after the extension [of the presidential term] was passed.

*Text of 1996 Draft Budget Published

96AA0024A Beirut AL-SAFIR in Arabic 28 Sep 95 p 7

[Report by 'Adnan al-Hajj]

[FBIS Translated Text] The 1996 budget bill estimates expenditure, in parts one and two, at 6.450 trillion Lebanese pounds — about 5,631.5 billion pounds in part one and about 818.4 billion pounds in part two. This is compared with an estimated revenue of 4,022.265 billion pounds, a deficit of 2.427 trillion pounds or about 37.62 percent.

The 1996 supplementary budgets are estimated at 624.417 billion pounds. This includes 475 billion for telecommunications, 96.108 billion for the General Directorate for Grains and Sugar Beets, and about 52.920 billion for the National Lottery Directorate. Thus, the total budget figure, with the supplementary budgets, will be about 7.074 trillion pounds.

Based on the Finance Ministry's estimates, the allocation for salaries, wages, and contracts was raised from 2 trillions, in the 1995 budget, to 2.25 trillions in the new budget.

The estimate for debt payments in the 1996 budget is 2.6 trillion pounds, compared with 2.2855 trillion in the 1995 budget. Debt payments constitute about 40.31 percent of the total expenditure, compared with about 40 percent in the 1995 budget, although debts have increased by 315 billion pounds.

The allocation for reserves in the 1996 budget is estimated at 1,022.608 billion pounds, compared with only 160 billion pounds in the 1995 budget. The allocation for reserves constitutes 15.85 percent of the total expenditure.

The 1996 budget bill forecasts a significant increase in revenues to 4.022 trillion pounds, compared with 3,150 billion in 1995, or an increase of 872 billion. The sources of this increase are numerous. They include car registration fees, telephone fees, and construction violations' settlements. This besides many amendments introduced in Table No.9, which is appended to the 1996 budget bill.

Reductions have been made in the budgets of some ministries, including the Defense Ministry, whose expenditure was reduced from 665.3 billion pounds, in the 1995 budget, to 653.6 billion pounds. The budget of the Public Works Ministry was reduced from 235 billion pounds, in 1995, to about 153 billion pounds. Even the Prime Ministry's budget was reduced from 690.8 billion pounds, in 1995, to 634.4 billion, in the 1996 budget.

Table No.1 shows details of the ministries' budgets for 1996 compared with 1995.

Regarding the supplementary budgets, they have been increased slightly, compared with the 1995 budget. They increased from 617 billion pounds to 624 billion. These budgets generally do not affect expenditure activity, because, usually, they finance themselves.

The sources of revenue, estimated at 4.022 trillion pounds, are classified as follows:

A. Direct taxes: These are estimated at 1,330.15 billion pounds. They include 575.15 billion pounds from property tax, income tax, and transfer fees. They also include about 725 billion pounds from registration, revenue stamp, traffic, public security, and reconstruction fees.

B. Indirect taxes and fees: These are estimated at 1.88 trillion pounds. They include taxes and fees on fuel, alcoholic beverages, amusement places, and cement, and customs tariffs.

C. Miscellaneous revenues: These are estimated at 595 billion pounds. They include construction violations' settlements, sector differences, revenue from the sale of state property, and supplementary budget surpluses.

Table No.9, appended to the budget, provides for an increase in some fees and taxes. It includes an increase in residence permit fees for business people and others, in group one, from 400,000 pounds to 1.8 million pounds per permit, and from 150,000 pounds to 300,000 pounds for residence permits for other groups of foreigners. Work permit fees for foreign artists, in group one, were increased from 150,000 pounds to

300,000 pounds per month, and from 75,000 pounds to 150,000 pounds, in group two.

Work permit fees for regular foreign workers, in group one, were increased from 500,000 pounds to 2 million pounds; from 300,000 to 1 million pounds, in group two; from 200,000 to 500,000 pounds, in group three; and from 100,000 to 300,000 pounds, in group four.

The budget bill stipulates that the same fees should be paid for renewing these permits. The fee for advanced approvals was raised from 100,000 to 500,000 pounds for workers in the first three groups, and from 20,000 to 100,000 pounds for workers in group four.

Palestinians registered in the General Directorate for Refugee Affairs will pay 25 percent of the specified permit fees for foreign workers.

Table No.9 also contains amendments to the car registration fees, which take into consideration the car's horsepower and age. The increase in the fees on cars 12 to five years' old ranges from 4,000 to 202,000 pounds, or 20 to 149 percent.

As for cars that are two to four years' old, the fee went up from 8,000 pounds, for cars with a capacity of less than 10 horsepower, to 405,000 pounds for cars over 51 horsepower — an increase of 20 to 150 percent.

The fee on cars less than two years' old was increased from 20 percent, for those with a capacity of less than 10 horsepower, to 150 percent, for cars with a capacity of over 51 horsepower.

The budget bill also includes amendments to the license fee for cars that are over 12 years old. The fee was increased between 20 and 150 percent also.

Table No.9 also includes a reduction in municipal taxes on rented houses from 10 to 5 percent and from 15 to 7 percent, according to the nature of the rental.

The budget bill also sets the license fee for shops producing explosive equipment and materials at 400,000 pounds and for shops trading in weapons at 1 million pounds. It set the fee for renewing a weapon's license at 250,000 pounds.

The bill classifies the people who can receive work permits and amends the revenue stamp fees for occupation of public property.

License fees for meeting halls and betting shops were amended upward to a maximum of 40 million pounds for the first and 120 million pounds for the second.

The fees for amusement spots, hotel establishments, swimming pools and beaches, movie theaters, and stages were also increased.

The budget bill also sets the fees for illuminated and unlit billboards from 15,000 pounds to 1 million pounds per square meter.

The fees for exploiting municipal public property were amended. A fee of 3 percent was imposed on the value of exploited quarries. Municipal fees on animals slaughtered within municipal boundaries were amended to 10,000 pounds for a sheep and 40,000 for a pig.

The bill also includes amendments to the allocations made, according to program laws in subsequent years, to the Ministries of Defense, Public Works, Water and Electricity Resources, Tourism, Transportation, and Culture and Higher Education.

The text of the 1996 budget bill follows:

Article 1:

Figures of the general budget and the supplementary budgets for the fiscal year beginning 1 January 1996 and ending 31 December 1996 are set according to the provisions of articles two and three of this law.

Article 2:

The general budget and the supplementary budgets will include the following allocations:

The general budget's first and second parts: 6.45 trillion pounds;

the telecommunications budget: 475 billion pounds;
the National Lottery Directorate's budget: 52.920 billion pounds;
the budget of the Grains and Sugar Beets' Bureau: 96,108,510,000 pounds;
Total: 7,074,028,510,000 pounds, according to Tables No. 1, 2, 3, and 4, which are appended to this law.

Article 3:

Revenues of the general budget and the supplementary budgets are estimated as follows:

The general budget, first part, ordinary revenues: 4,022.265 billion pounds.

the general budget, second part, extraordinary revenues: 2,427.735 billion pounds.
the telecommunications' budget, first part, ordinary revenues: 475 billion pounds.
the telecommunications' budget, second part, extraordinary revenues: [no figures published]
the National Lottery Directorate's budget: 52.920 billion pounds.
the Grains and Sugar Beets Bureau's budget: 96,108,510,000 pounds.

Total: 7,074,028,510,000 pounds, according to Tables No. 5, 6, 7, and 8, which are appended to this law.

Article 4:

According to the provisions of this law, the laws in effect, and laws that will be issued later, the collection of the various taxes, fees, and revenues outlined in Tables No. 5, 6, 7, 8, and 9, which are appended to this law, will be permitted.

Article 5:

Funds allocated under the various articles of the general budget for treatment in private hospitals and institutions and contracts with doctors in the private sector will be distributed according to a decree approved by the Council of Ministers, based on a proposal by the pertinent minister and the finance minister.

Article 6:

Based on the treasury's needs and the discretion of the finance minister, the government will be permitted to issue long-term, medium-term, and short-term treasury bills, in Lebanese currency.

Article 7:

All expenses, including allowances and all additions and fines, not exceeding 1,000 Lebanese pounds in income tax and property tax, will be considered irredeemable. Financial departments will be exempted from issuing collection schedules and collecting these expenses.

Compulsory warranty decisions and property confiscation reports not exceeding 1,000 Lebanese pounds will be considered as canceled. Property registration officials are asked to remove them from the registers without the approval of the party that imposed them.

Article 8:

Funds appropriated for the general prosecution at the appeals court will be spent on items 4-2-8-2 (expenses on public right cases) totally or partially by the appeals court general prosecutor. These expenditures will not be subjected to the provisions of existing administrative and financial laws and regulations.

Article 9:

1. Contract and payment approbation will be opened in the general budget for loans contracted by the state, according to principles, or contracted on behalf of the state, according to principles, based on decrees approved by the Council of Ministers at the suggestion of the pertinent minister and the finance minister.

2. Any provision that contradicts this article and its contents will be canceled.

The revolving of funds will be done according to the principles specified in article 114 of the general accounting law.

Article 15: [number sequence as published]

The Finance Ministry will cut from the tax on flammable materials, before distributing it to the municipalities, 1 billion pounds, which will be allocated for the electrification of villages, where no municipal councils exist (the cost of energy, maintenance, and equipment), through the Water and Electricity Resources Ministry — the General Directorate for Investment.

Article 16:

Fees and texts will be amended according to the principles, values, and averages outlined in Table No. 9, appended to this law.

Article 17:

Contrary to Article 114 of the general accounting law, the revolving of non-contracted funds opened on or before 1992 will be suspended effective 1 January 1996, whether the funds were included in the budget or in supplementary budgets opened according to special laws or provisions.

Article 18:

The text of paragraph A, clause two, Article 114 of the general accounting law will be abolished and replaced by the following text:

"The appropriations in clause seven, part one; the appropriations in clauses 20, 21, 22, and 23, part two; and the appropriations in clauses 40, 41, 42, and 43, part two B, whether contracted or not, until they are exhausted or the works for which the funds were allocated are completed, taking into consideration the provisions of article 17 of this law."

Article 19:

Contrary to any other provision, court imposed traffic fines will not expire until four years after the judgment had been communicated to the office that carries out traffic judgments.

Article 20:

The following last paragraph will be added to article 16 of legislative decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees):

"If the contract contains a penalty clause, revenue stamp fees will be collected for the amounts mentioned in the penalty clause, not to exceed two-times the value, taking into consideration the provisions of this article regarding the integrity of the terms."

Article 21:

Contrary to the provisions of article 19 of the law No. 89/91, dated 7 September 1991 (the 1991 budget law), lottery prizes, as established in law No. 413, dated 15 May 1995, will be exempt from the relative fee of 10 percent of the prize value.

Article 22:

The fees at the Lebanese University will be determined by a joint decision issued by the culture and higher education minister and the finance minister, based on a proposal by the university president.

Article 23:

As of 1 September of each year, salary and other supplementary expenses, in the Lebanese University's budget, can be charged to the following year's budget within the limits of appropriated funds in the current budget year.

Article 24:

The name of the legislative decree, dated 5 August 1967, and its amendments will be amended to read as follows: "The tax on theaters, entertainment houses, and amusement places" instead of "the amusement tax." The words "amusement tax" will also be amended, wherever they appear, to read "the tax on theaters, entertainment houses, and amusement places."

Article 25:

Besides the activities specified in Article 1 of Legislative Decree No. 46, dated 24 June 1983, offshore companies will be allowed to participate in the investment and management of maritime transportation companies and institutions operating outside Lebanon.

Article 26:

Contrary to any other provision, particularly article 21 of the 1948 budget law, amended by law No. 14 on 20 August 1990, the fees on the manufacturing of gunpowder, explosives, and hunting weapons and their ammunitions will be determined as follows:

Permit fees for manufacturing explosive equipment, materials, fuses, detonators, and hunting weapons and their ammunitions and the renewal of this permit will be 4 million Lebanese pounds.

Permit fees for trading in hunting weapons and their ammunitions and permit fees to sell hunting guns on retail basis will be 1 million pounds.

The annual fees for renewing the permit for trading with hunting weapons and their ammunitions and selling hunting guns on retail basis will be 250,000 pounds.

Any provision contrary to this article will be canceled.

Article 27:

1. Work permit fees for foreigners, of the different groups, and fees for advanced approvals will be amended, as outlined in Table No. 9, which is appended to this law. These groups will be defined as follows:

A foreigner engaged in an important commercial, industrial, banking, or tourism trade will be classified in group one.

A foreigner engaged in one of the above trades on a limited scale or engaged in a free trade or earns a monthly salary of no less than four times the monthly minimum wage will be classified in group two.

A foreigner engaged in a trade or receiving a monthly salary of no less than the monthly minimum wage will be classified in group three.

All other foreigners, particularly those who are not subject to the labor law, who earn monthly wages less than the monthly minimum wage, such as house servants, will be classified in group four.

2. The interior minister will issue a decision specifying the groups of free trades and businesses to which foreigners can belong.

3. The fee can be paid in cash at any treasury office in Beirut and the governorates, in revenue stamps as provided in legislative decree No. 67, date 5 August 1967, or in money orders.

Article 28:

The paragraph before the last of article eight of the law by decree No. 10830, dated 9 October 1962 (societies) will be amended as follows:

"Anyone violating the provisions of the previous article of this law will be punished by a fine of 50,000 to 200,000 pounds."

Article 29:

Text of Article 27 of the 1995 budget law will be canceled and replaced with the following text:

"The property registrar will be prohibited from registering transactions regarding the transfer of ownership and parceling of any property unless they are accompanied by a planning and discharge reports from the municipality and the pertinent financial departments. These documents will remain valid until the end of the year in which they were issued."

Article 30:

The text of clause one, Article seven, of Legislative Decree No. 67, dated 5 August 1967 and its amendments (revenue stamp fees) will be canceled and replaced by the following text:

"Instruments, their copies, photocopies, and summaries for a grace period of no less than three working days from the date of their issuance or signing."

Article 31:

The text of the last paragraph of Article 10 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees) will be canceled and replaced by the following text:

"Contracts pertaining to all aspects of the export and transit trade, foreign currencies, and aircraft fuels will be exempted from revenue stamps."

Article 32:

The following last paragraph will be added to article 10 of legislative decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees):

"Customs departments can collect in cash the revenue stamp fee for documents attached to customs forms after the person concerned makes a detailed list of these documents with the required revenue stamp fees for each document.

"If cash is received, the customs departments must indicate on each document that the revenue stamp fee was paid, the amount paid, and the date."

Article 33:

The text of the last paragraph of article 14 of legislative decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees) will be canceled and replaced with the following text:

"Public authorities' allocations, the salaries and wages of state, municipal, and public institutions' employees, and other compensations, grants, bonuses, and aid, of any kind, will be exempt of the fee."

Article 34:

The word "piaster" [qirsh] will be canceled from Article 18 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees) and replaced with the word "pound."

Article 35:

The following paragraph will be added to Article 20 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees):

"If the necessary fee does not exceed 500,000 Lebanese pounds, it can be paid in cash at the appropriate financial offices."

Article 36:

The text of the first paragraph of Article 24 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees) will be canceled and replaced with the following text:

"Licensed sellers of revenue stamps will make a 6 percent profit of the value of stamps they sell. The 6 percent will be discounted in advance from the value of the stamps delivered to them."

Article 37:

The text of the last paragraph of Article 25 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees) will be canceled and replaced by the following text:

"To cancel the stamps, a signature can be substituted for something amounting to a signature, as stated in article three of this law."

Article 38:

The following paragraph will be added to Article 53 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees):

"A one month deadline will be set after each quarter of the year for public institutions, municipalities, water projects' committees, national deposit insurance institutions, and concession companies."

Article 39:

The amount of the fines provided for under Articles 70, 71, 72, 73, and 74 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees), will be amended to 250,000 Lebanese pounds.

Article 40:

The amount of the fines provided for under Article 76 of Legislative Decree No. 67, dated 5 August 1967, and its amendments (revenue stamp fees), will be amended to 500,000 Lebanese pounds.

Article 41:

The revenue stamp fee under clause four of Table No. 1, appended to Legislative Decree No. 67, dated 5 August 1967, and its amendments, will be amended as follows:

Paragraph four, the license fee for the use of public property: 25,000 Lebanese pounds for every square meter in Beirut; 15,000 Lebanese pounds in the governorates' centers; 10,000 Lebanese pounds in the districts' centers; and 5,000 Lebanese pounds everywhere else. However, under no circumstances the fee should be less than 200,000 Lebanese pounds and more than 5 million Lebanese pounds.

Article 42:

1. Article 50 of the 1950 budget law, particularly the provisions regarding the settlement of fines imposed on income tax, will remain in effect.

2. Provisions of paragraph one of Article 50 of the above law will apply to fines imposed on building property taxes and transfer fees.

Article 43:

1. The text of the last paragraph of Article 8 of the building property tax law, dated 17 September 1962, and its amendments, will be canceled as of the date on which law No. 366, dated 1 August 1994, became effective.

2. The following paragraph will be added to Article 8 of the building property tax law, dated 17 September 1962, and its amendments:

"A fine of 50,000 pounds will be imposed on institutions or associations for every month they delay the submission of their budgets beyond the deadline. A fraction of a month will be considered a full month. The fine will be increased to 100,000 pounds per month if the delay in submitting the budget continues for more than six months."

Article 44:

The minimum and maximum fines imposed by the courts and stipulated in Articles 20, 21, and 23 of Legislative Decree No. 54, dated 29 July 1983 (combating fraud), as amended by Article 30 of Law No. 89, dated 7 September 1991 (the 1991 budget law), will be increased 25 times.

Article 45:

The minimum and maximum fines imposed by the courts and stipulated in Articles 23, 24, 25, 26, 29, 30, 31, 32, 33, 34, 35, 36, and 37 of Legislative Decree No. 73, dated 9 September 1983 (possession of goods, materials, and crops and trading with them), as amended by article two of law No. 72, dated 24 July 1991, will be increased 10 times.

Article 46:

The schedule of payment obligations in the program laws outlined below will be amended as follows:

Payment obligations in billions of pounds:

A. Program law for the National Defense Ministry:

1. Article 30 of law No. 409, dated 7 February 1995 (the 1995 budget): 1996/13.5, 1997/50, 1998/36.5 instead of 50.

2. Article 3 will be amended to read seven years instead of six years. (The remainder will be unchanged).

B. Program law for the Public Works Ministry:

1. Article 28 of Law No. 409, dated 7 February 1995 (the 1995 budget): Clause 43: (1996-1997)-9 instead of 5, 4. (The remainder will be unchanged).

2. Article 46 of Law No. 409, dated 7 February 1995 (the 1995 budget): (1996-1997-1998) 90-20-11 instead of 20-20. (The remainder will be unchanged).

C. Program law for the Water and Electricity Resources Ministry

Article 35 of law No. 409, dated 7 February 1995 (the 1995 budget):

Section	Clause	Paragraph	1996	1997	1998	1999
105	43	1	28.8	76	40	49.2
106	43	2	6.3	15.5	11.5	19.7
107	43	3	5.4	24	16	18.6
Instead of:						
105	43	1	78	76	40	0
106	43	2	16.5	15.5	11.5	9.5
107	43	3	24	24	16	0

(The remainder will be unchanged)

D. Program Law for the Tourism Ministry:

Article 32 of Law No. 409, dated 7 February 1995 (the 1995 budget):

1996	1997
0	7
instead of:	
7	0
(The remainder will be unchanged)	

E. Program Law for the Transportation Ministry

Article 19 of Law No. 286, dated 12 February 1994 (the 1994 budget):

1996	1997	1998	1999	2000	2001	2002	2003
63	70	70	70	70	70	70	77
instead of:							
70	70	70	70	70	70	70	70
(The remainder will be unchanged)							

F. Program Law for the Ministry of Culture and Higher Education:

Article 34 of Law No. 409, dated 7 February 1995 (the 1995 budget):

1996	1997	1998	1999	2000	2001	2002	2003
0	55	85	55	55	55	55	55
instead of:							
50	55	85	45	45	45	45	45
(The remainder will be unchanged)							

G. Program Law for the Directorate General of Grains and Sugar Beets:

Article 33 of Law No. 409, dated 7 February 1995 (the 1995 budget):

1996	1997	1998
0.9	7	3.1
Instead of:		
4	7	0
(The remainder will be unchanged)		

Article 47:

This law will go into effect upon its publication in the official gazette.

The 1996 Budget Bill Table

Department	Allocations, 1995 Law	Estimated Expenditure, 1996, Part One	Estimated Expenditure, 1996, Part Two	Total for 1996	Percentage of 1996 Total
1. The Presidency	3,206,681,200	2,430,732,000	139,500,000	2,570,232,000	0.07
2. Chamber of Deputies	39,726,000,000	24,849,920,000	3,822,750,000	28,672,670,000	0.74
3. The Prime Ministry	690,848,370,271	293,106,441,000	341,374,990,000	634,481,431,000	16.48
4. Ministry of Justice	30,182,831,030	25,269,349,000	900,000,000	26,169,349,000	0.068
5. Ministry of Foreign Affairs	80,454,925,000	79,395,832,000	72,000,000	79,467,832,000	2.06
6. Ministry of Interior	323,442,014,000	265,354,269,000	35,462,288,000	300,816,557,000	7.81
7. Ministry of Finance	44,483,300,630	38,711,945,000	4,348,440,000	430,060,385,000	1.12
8. Ministry of National Defense	665,379,090,000	606,122,115,000	47,480,040,000	653,602,155,000	16.98
9. Ministry of National Education	321,643,485,000	291,812,455,000	22,569,200,000	314,381,655,000	8.17
10. Ministry of Health	159,350,915,000	129,903,678,000	19,328,000,000	149,231,678,000	3.88
11. Ministry of Labor	2,143,138,000	1,997,905,000	159,165,000	2,157,070,000	0.06
12. Ministry of Information	76,744,480,650	15,226,004,000	240,000,000	15,466,004,000	0.40
13. Ministry of Public Works	235,047,806,000	12,291,259,000	140,933,800,000	153,225,059,000	3.98
14. Ministry of Agriculture	41,391,129,000	9,064,378,000	22,256,510,000	31,320,888,000	0.81
15. Ministry of Economy and Trade	3,928,578,200	2,497,271,000	1,130,000,000	3,627,271,000	0.09
16. Ministry of Post and Telecommunications	14,859,072,000	12,974,522,000	1,792,000,000	14,766,522,000	0.38
17. The Constitutional Council	0	2,640,975,000	0	2,640,975,000	0.07
18. Ministry of Water Resources	68,000,652,000	7,174,252,000	53,441,200,000	60,615,452,000	1.57

Department	Allocations, 1995 Law	Estimated Expenditure, 1996, Part One	Estimated Expenditure, 1996, Part Two	Total for 1996	Percentage of 1996 Total
19. Ministry of Tourism	14,768,948,000	8,322,498,000	272,000,000	8,594,498,000	0.22
20. Ministry of Industry and Oil	2,752,494,000	1,538,740,000	553,600,000	2,092,340,000	0.05
21. Ministry of Housing and Cooperatives	17,203,924,000	2,254,580,000	11,146,000,000	13,400,580,000	0.35
22. Ministry of Displaced Persons' Affairs	7,291,573,580	4,840,743,000	1,576,000,000	6,416,743,000	0.17
23. Ministry of Municipal and RuralAffairs	14,667,000,000	363,600,000	3,403,890,000	3,767,490,000	0.10
24. Ministry of Vocational and Technical Education	39,980,000,000	20,321,200,000	12,396,000,000	32,717,200,000	0.85
25. Ministry of Social Affairs	67,949,133,000	77,378,568,500	0	77,378,568,500	2.01
26. Ministry of Expatriates Affairs	5,728,000,000	5,262,940,000	54,000,000	5,316,940,000	0.14
27. Ministry of Transportation	106,618,482,000	10,214,212,000	84,684,650,000	94,898,862,000	2.46
28. Ministry of Culture and Higher Education	105,086,244,000	54,859,444,000	5,718,000,000	60,577,444,000	1.57
29. Ministry of Environment	7,982,500,000	2,725,359,000	3,232,000,000	5,957,359,000	0.15
30. Debt Payments	2,278,500,100,000	2,600,000,000,000	0	2,600,000,000,000	
31. Budget Reserves	160,639,133,439	1,022,608,790,500	0	1,022,608,790,500	26.56
Subtotal	5,630,000,000,000	5,631,513,977,000	818,486,023,000	6,450,000,000,000	
7. National Lottery Directorate	35,400,000,000	52,920,000,000	0	52,920,000,000	
15. Directorate General of Grains and Sugar Beets	107,017,000,000	95,208,510,000	900,000,000	96,108,510,000	
16. Telecommunications	475,000,000,000	146,588,000,000	328,412,000,000	475,000,000,000	
Subtotal	617,417,000,000	294,716,510,000	329,312,000,000	624,028,510,000	
Total	6,247,417,000,000	5,926,230,487,000	1,147,798,023,000	7,074,028,510,000	

Al-Asad Receives Ross, Stresses Adherence to Peace

JN0512170595 Damascus Syrian Arab Republic Radio Network in Arabic 1615 GMT 5 Dec 95

[FBIS Translated Text] President Hafiz al-Asad received Dennis Ross, U.S. coordinator of the Middle East peace process, at the People's Palace at 1200 today. He was accompanied by Mark Parris, special assistant to the U.S. President and director of the Middle East affairs at the U.S. National Security Council; and Christopher Ross, U.S. ambassador in Damascus.

The meeting was attended by Foreign Minister Faruq al-Shar' and Syria's Ambassador in Washington Walid al-Mu'allim.

Talks dealt with the peace process in the region and the importance of making progress. Discussions also dealt with the previous stages of talks on the Syrian track. There was emphasis on the need to adhere to the peace process, and to advance it.

The president emphasized Syria's adherence to the peace process and its seriousness to work for realizing its objectives. Ross said the United States is interested in the peace process and intends to continue its efforts. He said the United States will hold contacts with the concerned parties in the coming days.

Ross left Damascus this evening at the end of a one-day visit to Syria. He was seen off at Damascus International Airport by Syria's Ambassador in Washington Walid al-Mu'allim, a number of Foreign Ministry officials, U.S. Ambassador in Damascus Christopher Ross, and Embassy staff.

Russian Aide on Ties, Peace With Israel

MM0512144695 London AL-HAYAH in Arabic 5 Dec 95 p 5

[Unattributed report: "Posuvalyuk: Agreement With Israel Routine and Conventional"]

[FBIS Translated Text] Damascus, AL-HAYAH — Viktor Posuvalyuk, Russian deputy foreign minister for Middle East affairs, has stressed that the Russian-Israeli military agreement "bolsters" his country's role as sponsor of the peace process with Washington. He expressed his country's desire to "initiate a dialogue to intensify military technology cooperation" so as to serve the two countries' interests. He played down the importance of the agreement compared to the "current" agreements with Syria.

Diplomatic sources have told AL-HAYAH in Damascus that Posuvalyuk's position was revealed during his talks with Syrian officials, first and foremost Foreign Minister Faruq al-Shar'. The sources quoted the Russian official as saying that the agreement Defense Minister Pavel Grachev signed a few days ago with Israeli Prime Minister Shim'on Peres "does not conflict with Russia's policy as sponsor of the peace process. It actually bolsters this role. The Russian role in the peace negotiations becomes more active as the Russian presence in the region increases." Posuvalyuk said that although the United States "is bound to a strategic alliance with Israel, the Arabs see it as an honest and honorable broker in the negotiations." Having said that the agreement "is routine and conventional," the Russian official, who left Damascus for Amman yesterday, pointed to the "scores of current agreements being implemented" between Moscow and Damascus. He said: "We are willing to initiate a dialogue with the Syrians to adapt military technology cooperation so as to serve the Syrians and military material manufacturers in our country."

The Russian sources said that Posuvalyuk stressed to Syrian officials his country's support for the establishment of "a full peace (between Syria and Israel) in return for a full withdrawal to the 4 June 1967 lines." And that Posuvalyuk "noted" during his contacts with Israeli officials "an increase in the number of those supporting peace with the Arabs after the murder of (Israeli Prime Minister Yitzhaq) Rabin." He said: "Syrian and Israeli leaders took a historic decision to establish peace. This decision is irrevocable, whatever the obstacles." The sources said that the Russian official agreed with Yasir 'Arafat, head of the Palestinian Authority, "on fighting terrorism, regardless of its source. He also noted the signs of the economic and reconstruction boom in Gaza."

On Syrian-Russian relations, the sources said that Posuvalyuk pointed to the existence of "constant contacts to advance economic and military cooperation" between the two sides. And that Deputy Prime Minister Oleg Soskovets will visit Syria next year. The sources denied that the talks will deal with the arrears on loans to Syria, which total between $11 billion and $12 billion.

The sources pointed out that Oleg Davydov, deputy prime minister for economic affairs, will visit Lebanon only to discuss cooperation between the two countries and to reinforce relations between the two sides. And that Posuvalyuk commended during his visit to Beirut the "constructive role" of President al-Hirawi.

Commentary on UN Resolution on Golan, Ross' Tour

JN0512160795 Damascus Syrian Arab Republic Radio Network in Arabic 1238 GMT 5 Dec 95

[Station commentary]

[FBIS Translated Text] In a resolution issued yesterday, the UN General Assembly called on Israel to withdraw its forces from all the Golan to the 4-June 1967 lines. The Assembly also renewed its previous resolutions and considered the Israeli measures to change the nature and identity of the Golan null and void and with no legal force. The UN General Assembly also called on Israel to stop its attempts to impose its laws on Syrian citizens in the Golan. Last week, the UN General Assembly strongly denounced the Israeli measures in the Golan, and called for removing the settlements, and for not changing the structure of this occupied Syrian land.

This recent UN resolution has coincided with the arrival in Damascus by Dennis Ross, coordinator of the peace process. Ross will hold talks with Syrian officials on the reactivation of the peace track with Israel after a suspension of several months due to the former Rabin government's conditions on the establishment of early warning stations on the Golan. Syria has strongly rejected this because it encroaches on its sovereignty, interferes in its affairs, and violates the UN Security Council resolutions which govern the peace process in the region.

It is clear to all parties concerned with the peace process that it is impossible to achieve a true and just solution to the Arab-Israeli conflict outside the framework of the resolutions of international legitimacy. These resolutions not only reflect the will of the international community, but also the principles and values for which mankind has fought for a long time, and entrenched them in the UN Charter. These include the principles and values of right and justice. Peace between two parties necessarily requires the elimination of all manifestations of injustice and violence. There is nothing more serious than occupying others' territories and usurping them by force to create hotbeds of tension and sow the seeds of war.

From this premise, Syria has always called for a just and comprehensive solution to the Middle East conflict, and for a true peace which restores rights to their owners. Syria has declared that peace is impossible without Israel's full withdrawal to the June 1967 lines and without returning all the occupied territories to their owners and people. Syria has also declared that the partial settlements and separate deals do not achieve peace, but further complicate the situation. Syria deemed it unnecessary to have peace in installments, and called for a full Israeli withdrawal in return for a full peace, for, eventually, peace is the best guarantee of security. If there are good intentions, peace can be reinforced by equitable [mutakafi'ah] and even [muta'adilah] security arrangements which do not encroach on sovereignty and which safeguard the dignity of all sides. All the international parties which are concerned with peace, given that they are influential, many, and reflect a comprehensive international will, were unanimous on the need to reactivate the Syrian-Israeli negotiations track following the assassination of Yitzhaq Rabin by the Zionist extremists, because they view his assassination as a serious threat to the entire peace process. Syria responded to these efforts. It was encouraged by the positive signals from the new Israeli prime minister. Syria responded out of its strong desire to achieve a just and comprehensive peace which saves the region from the whirlpool of war and conflicts, and also to give a new chance to the international efforts and to the new Israeli Government, taking into consideration that the Syrian constants on the peace process remain the same, have not changed one bit, and will never change because, eventually, they represent the constants of the international resolutions and the principles of right and justice. The full Israeli withdrawal, the elimination of all traces of occupation, and equitable security are all basic conditions on which there will be no compromise in any peace agreement that might be reached.

TISHRIN Comments on UN Golan Resolution

JN0612092395 Damascus Syrian Arab Republic Radio Network in Arabic 0550 GMT 6 Dec 95

[From the press review]

[FBIS Translated Text] The newspaper TISHRIN comments on the UN resolution on the Golan. It should be recalled that the UN General Assembly has renewed its call for Israel to rescind its resolution on the annexation of the Golan, and asserted that the continued Israeli occupation of the Golan and its annexation constitute a stumbling block in the way of the efforts to achieve just and comprehensive peace in the region.

The paper says: The Knesset decision to annex the Golan is a serious breach of UN Security Council Resolution 497 of 1981. The Israeli decision is illegal, null and void. The UN General Assembly has urged an Israeli withdrawal from the Golan to the 4 June 1967 borders in implementation of the relevant UN Security Council resolutions, which provided for this; namely, Resolutions 242, 338, and 497.

TISHRIN adds: The relevant UN General Assembly and UN Security Council resolutions definitely constitute the political and legal terms of reference of the peace process. Regardless of how protracted it is, and despite the facts it has created, occupation cannot at all nullify Syria's sovereignty over its territory. No occupation force has the right to tamper with the fate of occupied territory. Nor has it the right to take any measures to change the geographic or demographic makeup of that territory. Nor has it the right to alter the institutional structure or legal status of that territory. This means that the settlement policy is illegal. This also means that Israel must halt the oppressive and terrorist methods and tactics it has used against our kinfolk on the steadfast Golan.

TISHRIN concludes by saying: Israel will be deluding itself if it continues to believe that the measures, practices, and policies it is carrying out on the Golan could effect a complete separation between the Golan territory and the motherland, Syria. Similarly, Israel will be nursing delusions if it believes that it will be able to retain part of this territory by blackmail or bargaining. For the steadfastness of our kinfolk on the Golan, their constant and growing resistance to occupation and its policies, Syria's firm position regarding the way to achieve just and comprehensive peace, the increasing international condemnation of Israel, and the fact that international legitimacy and its bodies have laid bare Israel's aggressiveness are all significant indications that there can be no peace unless the occupation of the Golan is completely dismantled, unless Israel effects a withdrawal from this territory up to the 4 June 1967 borders, and unless Israel subscribes to balanced [mutawazinah] and equitable [mutakaf'iah] security arrangements on both sides of the borders.

Afghanistan

Envoy Urges 'Emergency' Security Council Meeting

LD0512144395 Tehran Voice of the Islamic Republic of Iran in Pashto 1230 GMT 5 Dec 95

[FBIS Translated Text] In a letter to the president of the UN Security Council, Rawan Farhadi, Afghan permanent envoy to the United Nations, has called for an emergency meeting of the Security Council to discuss the critical situation in Afghanistan. According to a report by IRNA from New York, touching on the heavy weapons fire and air raids on Kabul city by the Taleban over the past 10 days, the letter, published as a Security Council document yesterday, reads: As a guarantor of international security and peace, the Security Council must know about the critical situation in Afghanistan. The letter adds that the continuation of Pakistan's interference in the internal affairs of Afghanistan has brought about an explosive situation in Afghanistan, and has made closer the intensification of fighting. At the end of his letter, the Afghan permanent envoy to the United Nations has described the current situation in Afghanistan as a threat to peace and stability in the region.

Taleban Criticizes Indian Support, 'Interference'

BK0112115695 Islamabad Radio Pakistan Network in English 1100 GMT 1 Dec 95

[FBIS Transcribed Text] In Afghanistan, Taleban jet fighters reportedly carried out four air sorties on Khvajeh (Ravaj) air base near Kabul this morning. The air base, controlled by pro-Rabbani forces, was damaged. AFGHAN ISLAMIC PRESS said pro-Rabbani forces fired antiaircraft rockets but the Taleban jets returned safely.

The leaders of the Taleban movement have strongly criticized Indian interference in Afghanistan and their military support to the Kabul government. Speaking at a public meeting in Quetta, they said anti-Muslim forces like India were fully supporting the Kabul regime to obstruct peace and tranquillity in Afghanistan. The Taleban leaders warned outsiders not to interfere in their internal affairs, so that the Afghans get a chance to solve their problem. They said only those persons and troops be included for the interim government in Afghanistan who were the true representatives of the Afghan people. They reiterated that they would continue fighting against Rabbani government till its defeat.

Iranian Official Denies Plans To Build Airports

BK0612100595 Islamabad THE MUSLIM in English 6 Dec 95 p 12

[FBIS Transcribed Text] Peshawar, Dec 5 — The acting Consul General of the Islamic Republic of Iran in Peshawar Ali Reza Rejasei while firmly brushing aside the rumours about the construction of an airport in Hazara (Afghanistan) by the Iranian government said that there already existed two airports one in Bamyan and other in Yakoulang.

He pointed out that there have been regular flights of UNHCR to these airports and there was nothing new to be mentioned about as was being rumoured. He said such rumours were part of a calculated propaganda to malign the Iranian efforts for the peaceful solution of the Afghanistan.

In a press statement issued in Peshawar Tuesday [5 December], the Consul General said that Iran had been extending humanitarian assistance to the Afghan refugees throughout their crusade against the Soviet occupation of Afghanistan which he said continued till date.

The Iranian diplomat recounted liberal Iranian aid sent to troubled areas of Afghanistan particularly to Kabul, Mazar Sharif and Herat in most dangerous conditions when there was risk of Iranian cargo planes, being hit by missiles. He said the Iranian government had also been providing medical and other health facilities to the oppressed people of Afghanistan which included vaccination programme, carried out with the cooperation of certain international agencies.

It was for the first time that a ceasefire was affected throughout Afghanistan for two weeks to implement the vaccination programme which he said was unprecedented and manifestation of desire of Afghan people for peace in the war-torn country. But, he thought, lack of viable formula for peace had disappointed th4e Afghan people.

The Iranian diplomat said that Iranian efforts were focussed on a political dialogue among the warring Afghan groups instead of a military solution but unfortunately it could not get through.

He felt sorry for those Afghans who had been rendered homeless due to intra Afghan war which had direct impact on the economy of Iran and Pakistan as both of these neighbouring countries had to accommodate a huge influx of Afghan refugees a be chunk of them still being looked after in these two countries.

Despite economic constraints, the Consul General said, Iranian authorities provided them all those civic amenities as enjoyed by Iranian nationals. He hoped that other neighbouring countries would also join in efforts for a permanent peace in Afghanistan.

The Iranian diplomat also gave a brief resume of the packages of assistance, being extended to Afghan people inside and outside Afghanistan which mainly included establishment of health units in Herat, Mazar Sharif, Kabul with the coordination of Imam Khamene'i aid committee training of para-medical staff midwives, professional and technical training to Afghan youth in Iran who on completion would be sent inside Afghanistan for further training to the interested Afghan youth.

Concluding, the Iranian Consul General hoped for an early end to the ongoing war and a dignified repatriation of Afghan refugees to their homeland.

He expressed that warring groups would lay down their arms and pool their efforts in creating conditions under which neighbouring countries could carry out reconstruction of Afghanistan.

Coordination Council Reserves Decisionmaking Rights

LD0512195295 Tehran IRNA in English 1838 GMT 5 Dec 95

[FBIS Transcribed Text] Kabul, Dec. 5, IRNA — The Supreme Coordination Council of Afghanistan, warned all of the warring factions in Afghanistan that none of those groups had the right to make any political or military decision separately regarding the future of Afghanistan without consulting the Council as announced over the Peyam-e Azadi (Message of Freedom) radio on Tuesday [5 December].

In the meeting, attended by the leader of the Islamic-National Movement, 'Abdol Rashid Dostam, the leader of the Hezb-e Wahdat-e Eslami, 'Abdolkarim Khalili and representative of the Golboddin Hekmatyar led Hezb-e Eslami, Homaun Harir [name as received], it was emphasized that the only solution to the crisis in Afghanistan was the installation of an elected Islamic government in this war-torn country.

In the meeting, which started two days ago in Mazar-e Sharif and is still on, the Coordination Council stressed that efforts had to be intensified aimed at restoring peace and stability in the country.

The Council emphasized that it does not reject the possibility of negotiation with the Afghan President, Borhanoddin Rabbani, in this connection.

The Peyam-e Azadi radio also said that the participants of the meeting stressed on the maintenance of unity among the different factions. In addition, they called upon the central government to take lessons from the past bitter experience, advising the government to pave the way for the installation of an elected government in the country.

The radio added on Tuesday morning that the Council has also warned the Taleban militia to look for more logical solutions rather than preoccupying themselves with the futile idea of capturing the capital city single handedly.

The Supreme Coordination Council also emphasized that more than the Council, it was the Taleban group which needed to form a coalition with other groups in its fight against the central government led by Borhanoddin Rabbani.

The representatives of the National Salvation Front did not attend the meeting due to unknown reasons.

Sebghatollah Mojadeddi, leader of the National Salvation Front resigned as head of the Council last week in protest against the contact that other members of the Coordination Council had made with the representatives of Afghan Government

Rabbani Forces Take Areas From Taleban in Lowgar

LD0512132295 Kabul Radio Afghanistan Network in Pashto 0230 GMT 5 Dec 95

[FBIS Translated Text] In the course of a series of clearing-up operations, the Islamic army forces have captured the heights around Sherollah Qala in Aynak area, Lowgar Province. During the operations 15 of the Taleban were killed. A source of the Defense Ministry told Bakhtar that the Islamic army operations were mounted the night before yesterday and the strategic area of Sherollah Qala was captured. By capturing the area the rear lines of the Islamic army are now safer than before. [Words indistinct] on top of the seizure of new positions, 15 hireling Taleban were killed, and an ammunition depot, two [words indistinct] pieces of artillery, [words indistinct], a quantity of light weapons and three motor vehicles have been captured from the enemy. Five dead bodies of the aliens' hirelings were left in the Islamic army controlled area. This shows that Benazir Bhutto's Taleban have lost their morale so much that they cannot take away their dead men from the battlefield.

Further on Advance in Lowgar

LD0512145995 Tehran Voice of the Islamic Republic of Iran in Pashto 1230 GMT 5 Dec 95

[FBIS Translated Text] The village of Sherollah near Aynak copper mine [in Lowgar] was liberated as a result of the attacks mounted by the forces loyal to Afghan President Borhanoddin Rabbani against the Taleban positions. According to a report by the Central News Unit from Kabul, announcing this report, an Afghan Defense Ministry source added that after the liberation of Sherollah heights, southeast of Kabul, the government forces crushed the Taleban positions and seized Sherollah village last night. He said he had no information about the loss of life and damage inflicted on the Taleban.

According to the source, last night Afghan government planes bombed the Taleban positions in Chahar Asiab and Rishkhor. However, no report has been received about the loss of life and damage.

India

Delhi Seeking Hostage Release Through Dialogue

BK0612093695 Delhi All India Radio Network in English 0830 GMT 6 Dec 95

[FBIS Transcribed Text] The government today told the Lok Sabha that it has avoided any precipitate action to release the hostages held by the Al-Faran militant group in Kashmir, as it could jeopardize the lives of the captives. The minister of state in the prime minister's office, Mr. Bhuvanesh Chaturvedi, said the aim of the administration has been to bring about the safe release of the hostages through a process of dialogue and persuasion. Answering another question, he said all steps are being taken to check infiltration of terrorists.

Nuclear Tests by France, PRC Cause 'Dismay'

BK0612101095 Delhi All India Radio Network in English 0830 GMT 6 Dec 95

[FBIS Transcribed Text] India has expressed dismay over the recent nuclear tests conducted by China and France. The external affairs minister, Mr. Pranab Mukherjee, informed the Rajya Sabha during question hour today that these steps represent a serious setback to the ongoing negotiations for a comprehensive test ban treaty.

Pakistan ISI Said Trying To 'Reescalate Terrorism'

BK0512163295 Jalandhar PUNJAB KESARI in Hindi 25 Nov 95 p 3

[Report by Suneel Kumar Dhawan: "Pakistan's ISI Intelligence Agency is Active Again in Escalating Terrorism in Punjab"]

[FBIS Translated Text] Jalandhar, 24 Nov — Pakistan's Inter Service Intelligence agency, or ISI, has time and again tried to breech the barbed wire fence along the India-Pakistan border and send infiltrators into Indian territory to reescalate terrorism in Punjab. Soldiers of the Border Security Force, or BSF, monitoring the border have foiled several such attempts in the past.

BSF sources say the ISI has been training terrorists at Khairon Cant, Head Baloke, and Shamuli Kothi to commit acts of subversion and murder in Punjab. In addition, four important training centers have been opened in Dera Kartarpur Sahab, Barabhai Masore, Gulburg Colony Lahore, and Head Sulemanki to train terrorists. Terrorists are drawn from these centers for infiltration into Punjab. The ISI provides them with all the amenities in the training centers and also supplies women for their entertainment to make them forget their absence from their homes.

When T. Koraiah, BSF inspector general [IG] for the Punjab frontier, was contacted on this matter, he said: In view of the increased activities of the ISI along the border, we have reviewed the security measures. The BSF will not let the ISI realize its intentions.

BSF sources have said that over the past year, the activities of the ISI and the Pakistani Rangers to infiltrate terrorists and ISI agents into Indian territory have increased considerably. On the night of 1-2 February, two terrorists tried to infiltrate into Punjab from Pakistani territory through Shahpur locality in Gurdaspur sector. BSF soldiers killed one, and the other made a hasty retreat into Pakistani territory. During a search of the locality, the BSF recovered a Pakistan-made pistol, ammunition, and magazines. Similarly, on the night of 14-15 November, two Pakistani infiltrators tried to infiltrate into Punjab. The BSF shot and killed one infiltrator.

The sources say that the soldiers foiled a fresh bid by the ISI to assess the alertness of the BSF and its security arrangements in Rajoke sector. It has been learned that the Pakistani infiltrator tried to sneak into Punjab taking advantage of the thick fog in Rajoke sector and the dense reeds inside Pakistani territory. There was a loud noise inside Pakistani territory and the movement of vehicles could be heard from the embankment of an adjoining dam in Pakistan. This makes it clear that the ISI and Pakistani Rangers were behind the infiltration bid that was foiled by the soldiers — they were hiding near the infiltration spot.

T. Koraiah, the IG for BSF Punjab Frontier, and R.S. Jasrotiya, deputy inspector general of the BSF for the Ferozepore Range, visited the site of the infiltration bid the other day. T. Koraiah said that a BSF patrol party foiled an attempt by Pakistani Rangers to infiltrate two Afghan nationals into Harbhajan and Rajoke in Ferozepore sector on 11 and 14 November.

The sources have also said the BSF is active not only in the border region, but in interior areas as well. This year, coordinating with Customs staff, the BSF caught three people proceeding toward Amritsar from the Samba sector. Under interrogation, they identified one Davindra Singh, the son of Tarsem Singh, a resident of Dayalpur village in the Nawanshahar police station area. He was an invincible terrorist of the Khalistan Commando Force [KCF] in Panchavad. When questioned, he disclosed that he was living in Pakistan and was sent by Paramjit Singh Panchavad, chief of the KCF in Panchavad, to India with the aim of converting a new generation of Punjabis into terrorists.

The sources added that the ISI and Pakistani Rangers may intensify their efforts to infiltrate terrorists into Punjab during the winter because there will be thick fog and long reeds will grow in Pakistani territory. In this connection, BSF IG Koraiah said: The BSF soldiers will defend India's borders day and night. They will not allow terrorists to infiltrate into the country, thus enabling the people of Punjab to lead a peaceful life free from fear.

Nine Injured in 'Powerful Bomb Blast' in Punjab

BK0612121195 Delhi All India Radio Network in Hindi 1130 GMT 6 Dec 95

[FBIS Translated Text] In Punjab, nine people were injured in a powerful bomb blast in Ludhiana today. The condition of the two of the injured is stated to be critical. Our Chandigarh correspondent reports that the bomb was planted near the shop of a lottery vendor in the Ghantaghar Chowk area of the city. Details are awaited.

Prime Minister Views March Toward Globalization

BK0612021895 Delhi Doordarshan Television Network in English 1530 GMT 5 Dec 95

[FBIS Transcribed Text] The prime minister today asserted that India's national interests would not be compromised in its march toward globalization. Inaugurating the annual general meeting of the Federation of Indian Chambers of Commerce and Industry, FICCI, in New Delhi today, Mr. Narasimha Rao said that at no stage can national interests be compromised in the globalization process. We need foreign investment but it should not hurt our initiative and enterprise, Mr. Rao said.

[Begin Rao recording] These changes suit our needs and requirements. I say this not as an excuse for the sector, but with the full realization that as our financial system has its own traditions we must ensure that the sequencing of reforms in this sector is done at a pace, which allows the system to absorb the changes in an efficient manner. [end recording]

The prime minister said agriculture and industry, especially the small-scale sector, have responded well to the new economic policy. He said five lakh new jobs were created by small-scale industries last year. Admitting the need for further reforms in the financial sector, he said the process has already started with the setting up of regulatory authorities. Mr. Rao said the government is in touch with the Supreme Court for making appropriate changes in industrial law to bring it in tune with the new economic policy. Reaffirming the need for reforms to have a human face, the prime minister said its success will be judged by the benefits it gives to the poor.

Finance Minister Discusses Exchange Rate of Rupee

BK0412133795 Delhi All India Radio Network in English 1230 GMT 4 Dec 95

[FBIS Transcribed Text] The finance minister, Dr. Manmohan Singh, has said that adjustment in the exchange rate of the rupee will ensure a greater balance between exports and imports. He told the Rajya Sabha today that the overall direction of the exchange rate is consistent with the long-term objective of a viable balance of payment based on increase in exports. Replying to a call-in attention motion on the steep fall in the value of rupee against dollar and its impact on the economy, Dr. Singh said the adjustment will in no way hurt the growth of the economy, exports, and employment. The entire opposition staged a walkout expressing dissatisfaction over the minister's reply. Earlier, moving the motion, Dr. Gurudas Dasgupta, CPI [Communist Party of India], described the decline in the rupee value against dollar as undeclared devaluation and demanded steps to curb imports and inflation.

Earlier, addressing the annual joint meeting of the World Economic Forum and CII [Confederation of Indian Industry] in New Delhi today, the finance minister said that the needs of industry will be met despite the prevailing liquidity crunch in the money market. Dr. Manmohan Singh attributed the liquidity crisis to slowdown of investment from foreign institutional investors and widening current deficit. He said the rupee could be made fully convertible on the capital account only after inflation is reduced and the financial position of the country becomes stronger.

'Defense Experts' Urge Upgrade of Missile System

BK0412120595 Delhi All India Radio Network in English 0830 GMT 4 Dec 95

[FBIS Transcribed Text] Defense experts say India must upgrade its missile system in view of the stockpiling of missiles by neighboring countries. They say while China has an array of lethal missiles, including intercontinental ballistic missiles, Pakistan is acquiring M-15 missile system. Besides, Pakistan has missiles capable of carrying 500 kg of warheads up to 500 km, which can pose a great threat to India's security. The experts say other neighboring countries like Iran and Saudi Arabia have also in their arsenal powerful missiles including the Russian Scuds.

Preparation Complete for Launch of Satellite

BK0612031795 Delhi Doordarshan Television Network in English 1530 GMT 5 Dec 95

[FBIS Transcribed Text] All preparations for the launch of the INSAT [Indian National Satellite]-2C satellite have been completed at the launch site at Kourou, French Guiana. The 2050-kg satellite, the third in the INSAT-2 series, will be launched into space early morning on Thursday [7 December].

[Begin correspondent Gayatri Chandrashekhar recording] Fuelling operations on the 2050-kg INSAT-C have been fully completed at Kourou. The satellite has been mated to the rocket. The launch will be around 0430 on the morning of Thursday and the launch window is for a duration of about 30 minutes. The flight readiness review was completed on Monday. Fuelling operation for the C-stage launcher is currently on. It will be over by tomorrow. The spacecraft will separate from the launch vehicle about 25 minutes after blast off. [end recording]

Navy Chief's Remarks on Submarines, Needs Reported

BK0212083695 Calcutta THE TELEGRAPH in English 25 Nov 95 p 6

[Report by "our special correspondent"]

[FBIS Transcribed Text] New Delhi, Nov. 24 — The Indian Navy has decided to make submarines in the near future, the naval chief, Admiral V.S. Shekhawat, said today.

Two submarines of the Shankush Class or the "HDW [Howaldtswerke Deutsche Werft] type" will mark the beginning of the programme of making four to six vessels over a decade to replace the fleet's Russian-built Foxtrot submarines. The two are likely to be admitted into the fleet in four to five years, Mr Shekhawat said. Currently, the Navy has six Foxtrots, eight Kilo class and four HDW type submarines.

Stressing the need for "building and not buying," Admiral Shekhawat blamed shipyards, especially Garden Reach, for delays. Absence of heavier cranes, low productivity, antisocial elements and trade-unionism were responsible for the delays, he said.

Mr Shekhawat said the builders were warned that no fresh orders would be placed unless "things improve." He felt trade-union affiliated workers "get misled from time to time."

Mr Shekhawat expressed satisfaction on the Navy's performance despite restricted Budgets in the last few years. "We have managed quite well despite the squeeze and there has been no compromise with operational readiness. But the Navy needs to grow," he said.

The naval chief admitted that the two existing aircraft-carriers were nearly 45-years-old and needed to be replaced. He said an air- defence ship or light carrier would be made in 10-12 years and said the Navy had no immediate plan to buy a foreign carrier like the Russian made Admiral Gorshkov. He, however, did not rule out the possibility.

Mr Shekhawat said Pakistan's acquisition of PC-3 Orion, the "eye in the sky," had increased the need for a carrier.

On future additions to the fleet, he said the indigenously built destroyer INS [Indian Naval Ship] Delhi would be commissioned in 1997, a year later than planned. Two other destroyers, Mysore and Bombay would follow later.

Sources said the Navy was waiting for anti-ship missiles to be fitted to Delhi and Mysore that will arrive from Russia.

Mr Shekhawat said the Navy would also acquire three Brahmaputra Class frigates that were being made at Garden Reach and four Khukri-class corvettes in the next century.

He said the Khukri class ships had aroused interest in other countries as well. He, however admitted a decline in force levels but pointed out the new ships had a "higher capability."

Increase in Capital Expenditure for New Ships

BK0512091995 Bombay THE TIMES OF INDIA in English 2 Dec 95 p 10

[Article by C. Uday Bhaskar: "A Cautious Cheer for Indian Navy"]

[FBIS Transcribed Text] In a press conference on the eve of Navy week, Admiral Shekhawat, the naval chief indicated that the mood of the silent service was a little "more buoyant" now, since there had been a slight increase in the capital expenditure for induction of new ships. This modest increase in budgetary support for the Indian Navy arrests a steady decline of preceding years.

The impact of this decline is reflected in the long gap between the commissioning of major naval ships — or principal surface combatants (PSC) in naval parlance. Destroyers/frigates over 1,500 tonnes with missiles and helicopter embarking capability are classified as PSC's and it is sad, but true, that when the indigenously designed and built 6,200 tons guided missile destroyer — the "Delhi" enters service in 1997, the gap will be all of nine years. The last PSC to join the Indian Navy was the multi-purpose frigate INS "Gomati" in 1988.

Steady Induction

A medium-sized navy like ours must have a steady induction of ships in the pipe line to avoid obsolescence and to remain operationally credible, an induction of a PSC every 12 to 18 months would be the norm. The navy despite its not too inconsiderable potential as an effective tool in the national inventory, has rarely received adequate fiscal support to attain such induction rates and this has been noticed globally.

In the mid/late 1980's the Indian Navy was consolidating its modest capabilities in a holistic manner with a judicious mix of indigenous design/building and inductions from abroad, While the second carrier the "INS Virasat" sported the tricolor and a nuclear powered submarine, the "INS Chakra" was taken on lease from the former USSR. Long range maritime aircraft were on the anvil and the Indian Navy acquitted itself, with aplomb, in tackling a mercenary attack in the Maldives.

The world became aware, not only of India's trans-border capabilities, but the national will to use this tool in the furtherance of larger politico-diplomatic goals. Recognition was conferred and notwithstanding some orchestrated attempts to portray the Indian Navy as a regional hegemon, it was clear that India was attracting positive notice. It was not without reason that TIME magazine carried a Indian Navy ship on its cover (April 3, 1989). What was even more amazing was the fact that this level of professional competence had been achieved with virtually "peanuts" — for the Indian Navy has always been the Cinderella of the three armed forces and traditionally receives only 8 to 12 per cent of total defence outlay.

The decline since then has been distressing and as "Jane's Fighting Ships", the Bible for global navies noted editorially in its latest issue: "One of the more bewildering experiences in reviewing the world's navies each year has been the recent decline of the Indian Navy. As little as five years ago there was a vibrant building program... there was no doubting the pride that showed." The survey adds that as of 1995 there had not been a single new warship order placed for five years. If one accepts the PSC as a benchmark the gap widens to eight years for the last major frigate — the 3600 ton "Brahmaputra" class expected to be commissioned in 2001 was ordered in 1987.

Thus the modest attempt at arresting this trend is doubly welcome and the perseverance of the naval staff has led to an increase in total naval outlay from 12.4 per cent of the defence budget to 13.3 per cent this year i.e. Rs [rupees] 3,390 crores. With a shrinking defence cake it is commendable that the Indian Navy's capital budget has gone up by 33 per cent from the previous year.

Silver Lining

However, this is only the silver lining in an ominously dark cloud. While indigenous ship-building is a feather in the Indian cap, the navy should not end up in a situation where it degrades its operational edge by sustaining this national effort. A builders navy is the preferred option for India when a modern warship costs U.S.$500-800 million. However the Delhi experience tells its own story. The keel was laid down in November 1987 in Bombay's Mazgaon Docks and if it is commissioned in 1997, it would have taken all of ten years for one PSC. Though disruption in equipment supplied from the former USSR delayed the project, this kind of cost and time over runs is a luxury the nation can ill-afford.

In the ultimate analysis, the Indian Navy enhances the trans- border capabilities and external image of the nation in much the same way that the Agni missile or a vibrant export profile does. There must be a holistic strategic vision at the apex that will not only nurture such national endeavour in a sustained manner but harmonise and harness these diverse capabilities in the furtherance of a larger national purpose.

Iran

Dayton Accord Called 'Blot of Shame' for U.S.

NC0512182695 Tehran JOMHURI-YE ESLAMI in Persian 23 Nov 95 p 12

[FBIS Translated Text] After four years of fighting, the Republic of Bosnia-Herzegovina has been officially divided up with the signatures of the main parties involved. This official partitioning—the outcome of a policy long pursued by the Americans and those who exert political pressure in the disintegrated Yugoslav federation—emerged after three weeks of talks in Ohio.

After 20 days of debate at the Peterson military base—debate supervised by the United States away from the mass media—delegates from Serbia, Croatia, and Bosnia-Herzegovina signed a plan that clearly divides Bosnia-Herzegovina in two. One section will be given to the Serbs and the other, a joint federation, will be shared by Croatians and Bosnians. Sarajevo did not escape the harm done by this division. Thus, the Bosnian crisis' most repulsive result materialized through international treachery.

As the hosts of the Ohio session, the Americans will keep trying to project themselves as the peacebrokers in the Balkans. But all the evidence suggests there is no reason for Washington to gloat over its performance on the Bosnian crisis.

The U.S. policy in Ohio was not designed to establish peace, but to terminate war, without even a semblance of political justice. Appraising the Ohio accord, Bosnian President Izetbegovic stated that it is devoid of justice and that he signed it simply to prevent the war from spreading. This viewpoint clearly shows the political conditions that prevailed at the Ohio session and the depth of the tyranny, force, and injustice exerted by those formulating the final accord. The Bosnian Government was forced to choose the lesser evil at the Ohio session. Submitting to partition, relinquishing administrative powers over Bosnia, and accepting the domination of the Croat and Serb nationalities over this republic is better than the war and more savage atrocities that would have ensued if the accord had not been signed. This is especially so, since the arms embargo on Bosnia-Herzegovina continues and unarmed defenseless civilians would have continued without food and fuel through the winter.

The cruel nature of the imposed Ohio accord reveals why this accord has many dissenters among the politicians, combatants, and people of Bosnia-Herzegovina. No one knows whether all the Bosnian people and combatants prefer the unjust accord to war. The Bosnian crisis will not end with the Ohio accord. It will smolder under the embers and erupt into a conflagration sooner or later.

It is very likely that the Bosnian delegation was pressured to sign the accord, as the Americans desired, and did so in view of the weaknesses, shortcomings, and paucity over the defense, fuel, and food problems in Bosnia. It is also possible that they were threatened with an even more savage war with a much higher toll than before.

NATO's reiteration of its willingness to send rapid deployment forces to the border area of Bosnia-Herzegovina while the Ohio session was in progress and repeated U.S. announcements of willingness to provide a third of the forces were designed to be part of such threats and to complement them.

Whatever the facts surrounding this session, ultimately the brutal accord favored by the White House, conforming to the wishes of the Bosnian nation's enemies, has been imposed on the government and people of this country. Eventually this accord will be a blot of shame on those who came up with it.

U.S. 'Plot' Blamed for UAE Stance on Gulf Islands

NC0512215495 Tehran SALAM in Persian 28 Nov 95 p 3

[From the "Hello SALAM" column]

[FBIS Translated Excerpt] [Unidentified caller] If the three islands of Greater and Lesser Tunbs and Abu Musa belong to Iran, it should be stated decisively and there is no need for talks. In the same way that the people resisted Iraq, they will also resist the United Arab Emirates [UAE]. Also, please give a brief history of the three islands.

[SALAM] There is no doubt that these islands belong to the Islamic Republic of Iran. This has been repeatedly stated by the country's officials. But, at the same time, we should try to convince the UAE—as best as we can—through talks that the allegations they are making are neither in their interests nor in the interests of regional peace.

This is a plot that has been hatched by the enemies of the entire region, and while one fire is still burning, they start another one. In this way, they sell their arms to the region, fan the flames of such disputes, and foment wars and bloodshed. And while the fire of one war has not been extinguished, they start another fire. It is as though as long as there is oil in this region, these countries will ignite wars every few years. But can this mischief be confronted with anything other than the awakening of the region's governments and nations? Don't the

Persian Gulf shaykhs know that the only outcome of bringing the United States to the region, giving bases to U.S. forces, and serving the U.S. flag is adversity? It is surprising that the Arab shaykhs are still not aware that choosing to be under the U.S. umbrella can only bring disgrace to their nations. But when the day comes the United States will be unable to do anything. After all, was the United States able to keep the shah in power? [passage omitted]

Radio Views Israel-Syria Peace Track, Golan Issue

LD0512172495 Tehran Voice of the Islamic Republic of Iran in English 1130 GMT 5 Dec 95

[Unattributed commentary]

[FBIS Transcribed Excerpt] Denis Ross, special envoy of the White House, has travelled to the region after a two-week period in a bid to break the five-month long deadlock in negotiations between Syria and the Zionist regime. [passage omitted]

The stalemate in the talks between Damascus and Tel Aviv goes back to this June. [passage omitted]

Tel Aviv has, in the plan so far offered to the Syrians, pointed to its phased withdrawal from the Golan Heights with its security arrangements. On the basis of such security measures Israel's warning radars will be installed on part of Syrian territory.

Of course, the Syrians have always given a negative response to the illogical demands of the Zionist regime and consider the stationing of the warning radar stations on their territory as damaging Syria's territorial integrity. But the White House is again attempting to pave the grounds for the resumption of Damascus- Tel Aviv talks and, in this manner, pursues its objectives in the Middle East region. That is why the Zionist statesmen's remarks on the latest U.S. attempts for the revival of talks seem to be worth pondering.

The analysts believe that with the approach of the election campaigns in Tel Aviv and Washington, the conditions ruling the elections will prevent settlement of differences between Damascus and Tel Aviv. Therefore it seems that as a last effort, the Tel Aviv-Washington axis intends to pretend that the Syrians are facing a time limit and in this manner, make them compromise with the Zionist regime. Whereas, the trend of Arab-Israeli talks since 1991 to date indicates that the Syrian party cannot be easily driven to a compromise deal. Of course, this is a reality that has been clearly realized by Mr. Ross during tens of visits he has paid to the region. As has been put by the Syrian officials, he will be successful only if he acts as an impartial mediator and will manage to regain the usurped rights of the Syrians.

'Daily' Details PGCC 'Past Records'

LD0512142995 Tehran IRNA in English 1314 GMT 5 Dec 95

[FBIS Transcribed Text] Tehran, Dec. 5, IRNA — A morning daily criticizing the past records of the PGCC [Persian Gulf Cooperation Council] meetings, commented that Iran does not expect that the same old illogical and unreasonable anti-Iran statements will be issued by the current Oman summit meeting of the council.

The English-language daily 'IRAN NEWS' in its editorial on Tuesday [5 December] wrote, "frightened by the popular Islamic revolution of Iran in 1979, the sheikhs on the southern side of the Persian Gulf entered into an alliance which, at the time, they called a move for boosting security among their sheikhdoms."

Saudi Arabia, Bahrain, the United Arab Emirates (UAE), Qatar, Kuwait, and Oman established the alliance on May 25, 1981 and named it (Persian) Gulf Cooperation Council (PGCC). The rulers of the sheikhdoms were due to hold their 16th summit yesterday in Muscat, Oman.

The paper went on to say, "during the last 14 years, interesting words were uttered after every foreign ministers' meeting and annual summit meeting of the heads of states of (P)GCC member countries."

The council, during the last several years, has been trying to create a common market, but failed due to differences over import duties. It added, "for their common defense strategy they spent dlrs. 40 billion on weapons in just four years. But their defense system became a laughing-stock even for their own nations when the Iraqi forces invaded tiny Kuwait in 1991 and their defense system proved to be impotent forcing them to look to the west for help."

"Their so-called defense system collapsed like a house of cards. A review of the council's activities indicates that these sheikhdoms have just one thing in common — they share identical hereditary ruling systems, and they are all dependent on the west," the daily continued.

The paper also said, "we all know that the hereditary ruling system is taking its last breaths and is helplessly waiting for a democratic blow to kill it forever."

"Another interesting aspect of the council has been its empty slogans against its so-called enemy, Israel, these slogans were aired until 1992. After 12 years, the sheikhs started dancing to another tune and focused again on Iran as a potential threat to their security," the daily pointed out. "Since its birth in 1981, until 1992, the council never mentioned even a single word about the Iranian islands in the Persian Gulf. Now they are making false claims and aggrevating the misunderstanding between the United Arab Emirates and the Islamic Republic over Abu Musa," the paper emphasized.

It added, "Now Oman is hosting the council's summit meeting. In the light of the last month's Qatari-hosted negotiations between Iran and the UAE, we do not expect that the same old illogical and unreasonable anti-Iran statements will be issued by the council."

The daily continued, "Also, due to the very cordial and friendly relations between Tehran and Muscat, Oman is expected to avoid any move which may accelarate tension in the region."

"The Omani authorities know very well that Iran is still ready to welcome UAE Foreign Minister Rashid 'Abdallah for talks with Iranian officials to remove any misinterpretations regarding Iran's islands in the Persian Gulf," the editorial concluded.

Afghans Laud Nation's Peace Efforts

LD0512140595 Tehran IRNA in English
1243 GMT 5 Dec 95

[FBIS Transcribed Text] Tehran, Dec. 5, IRNA — Afghan religious and political personalities have thanked Iran for its efforts to settlement the Afghan problem and end the infighting among rival Afghan factions.

A number of Afghan ulama studying at the Qom theological seminary and members of the central council of the Hizb-e-Vahdat Eslami (Islamic Unity Party) meeting with the foreign ministry deputy for Asia-Oceanian affairs, 'Ala'eddin Borujerdi supported the presence of an Iranian delegation in Bamiyan, center of Hezarehjat in Afghanistan.

At the meeting, Borujerdi reiterated the unchangable stand of the Islamic Republic of Iran and stressed the necessity for ending the clashes and embarking on talks to return peace and security in that country.

Borujerdi said Iran will seriously follow up its policy of ending clashes in Afghanistan, hoping that "our efforts will bear fruits."

The Iranian Foreign Ministry official said the Islamic Republic of Iran hopes that the heads of the Islamic Unity Party display their political and Islamic maturity to the Afghan people, the region and the world.

Borujerdi announced Iran's readiness to continuing supplying assistance to the oppressed people of Afghanistan.

Khamene'i on Reform of Seminary Education System

LD0512121795 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian
1030 GMT 5 Dec 95

[FBIS Translated Text] The members of the Qom seminary's Supreme Council met with His Eminence Ayatollah Khamene'i, leader of the revolution, today. At the start of the meeting, Ayatollah Makarem-Shirazi, secretary of the seminary's Supreme Council, presented a report about the council's activities and its present and future plans and programs.

At the meeting, his Eminence Ayatollah Khamene'i expressed gratitude for the work done by the Supreme Council and the directors of the Qom seminary, delivered the necessary advice and guidance, and described the regular examination of the major issues and overall policies concerning the seminary as the Supreme Council's most important duty.

The eminent leader expressed the hope that, through the efforts of the Supreme Council and the directors of the seminary, plans will be drawn up for the gradual reform of the seminary's educational system. The eminent leader of the Islamic revolution stressed the need to pay serious attention to research and investigative studies at the seminary. He added: Research activities have, God be praised, begun but these activities must be systematized and brought under the supervision of the seminary's Supreme Council.

His Eminence Ayatollah Khamene'i also described the task of publicity as important and stressed the need for attention to be paid to the science of publicity and the creation of the relevant specialist courses at the seminary. The eminent leader of the Islamic revolution described the tasks ahead of the council as very important, and he said: Those who can must assist the Supreme Council and the directors of the seminary in their fundamental aims and extensive work.

Rafsanjani Comments on Civil Servant Supervision

LD0612115895 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian
1030 GMT 6 Dec 95

[FBIS Translated Text] In a message issued this morning to the gathering of the members of the teams responsible for investigating administrative offenses, President Hashemi-Rafsanjani referred to the fact that the Islamic Republic of Iran was the great achievement brought about by the struggles of an ummah [Islamic nation], which left as its historical souvenir a tremendous movement, and called on the people working for the system to serve the people with sincerity in order to safeguard their honor.

He stressed: The way in which the system's servants behave reveals the characteristics of a system. Officials and civil servants must, therefore, be completely in line with the aims and ideals of the system and they must transform executive organs into active centers for offering services.

Mr. Hashemi-Rafsanjani stressed that public supervision must take place in the administrative system within the framework of propagating virtue and prohibiting vice. He said: People in charge must, while motivating competent and dutiful employees, decisively confront those employees who do not conform to Islamic models of behavior.

Elsewhere in his message, the president noted the sensitivity of the role played by the teams responsible for investigating administrative offenses in identifying the correct standards and implementing them with precision. He said: The correct implementation of laws is only possible through a complete understanding of them and the observance of justice. He added: Bearing in mind God's wishes, attaching importance to the dignity of individuals, as well as delicacy, precision and speed, are among the things which the teams investigating administrative offenses must take into consideration when issuing verdicts.

Mr. Fallahian, the intelligence minister, delivered a speech at the gathering in which he referred to the fact that the spread of spirituality in the world is causing anxiety among colonialist governments. He said: You must prevent the infiltration of foreign elements into [government] offices by strengthening spiritual and ethical affairs.

Aqazadeh-Kho'i Opens Helicopter Service Complex

*LD0512144695 Tehran IRNA in English
1345 GMT 5 Dec 95*

[FBIS Transcribed Text] Tehran, Dec. 5, IRNA — The first phase of the operational complex of the Helicopter Services Organization located near Karaj was inaugurated here Tuesday [5 December] in a ceremony attended by Oil Minister Gholam-Reza Aqazadeh-Kho'i and head of the organization's general assembly. During the inaugural ceremony head of the board of managers of the Helicopter Services Organization, Hoseyn Shafti, said since the organization has joined the Oil Ministry in 1986, it has conducted 94,000 hours of flights mostly in oil-rich areas. Shafti said the activities of the helicopter services organization have increased 40 percent in the first half of the current Iranian year (beginning March 21) as compared to the corresponding period last year.

He said the organization has nine active operational stations in different parts of the country. The complex has been set up on an area of 44 hectars at a cost of rls. 1.5 billion.

Bank To Give $100 Million to Central Asian States

*LD0612102595 Tehran IRNA in English
1011 GMT 6 Dec 95*

[FBIS Transcribed Text] Mashhad, Dec. 5, IRNA — Managing-director of Bank of Export Promotion of Iran, Kehzadi said here on Tuesday [5 December] that his bank would grant dlrs. 100 million credit to the Central Asian republic.

He said the Bank of Export Promotion of Iran has already paid dlrs. 50 million in credit to Turkmenistan.

He said the bank is also studying to extend another credit of about dlrs. 19 million to build five silos in Turkmenistan to store agricultural products.

He said the Bank of Export Promotion of Iran is the only representative of the Jeddah-based Islamic Development Bank (IDB) to grant credit to the exporters of goods to the Islamic states.

Stabilization, Anti-Inflationary Policies Viewed

*96LA0008E Tehran SALAM in Persian 26 Sep 95
pp 8, 4*

[FBIS Translated Text] **Note—Our country needs discussions regarding the economic issues of the country today. Only through such discussions can we find appropriate ways to solve the economic problems. What follows is a speech by Dr. Hushang Shajari entitled, "Stabilization and Anti-Inflationary Policies," presented in the first session of Economic Issues in Iran at the College of Economics of 'Allameh Tabataba'i University on 26/02/1374 [16 May 1995]. Given that inflation and the rate of foreign currency are tangible problems of the national economy, and in order to avoid the negative consequences of inflation and the increase in the rate of foreign currency, solutions must be found. This speech contains interesting points. We should point out that these statements were made prior to the devising of the new foreign currency policies. The economic page announces its readiness to continue the discussion by experts.**

Foreign Currency Rate

It seems that the most important present problem of the Iranian economy is the severe fluctuation and increase in the foreign currency rate, and offering a solution to it is perhaps more urgent than any other program, but I will say that this issue itself has roots in the inflation and in order to counter the increase in the foreign currency rate, we must start with stabilization in the domestic sector.

The foreign currency rate, in fact, is an indicator of the foreign currency resources and uses in the country, which are comprised of numerous centers for foreign currency purchase and sale, such as banks, money changers, dealers, etc. The foreign currency resulting from the sale of oil is at the disposal of the Central Bank. Hence, the Central Bank is one of the important and reliable sellers of foreign currency as well.

On the whole, the foreign currency rate that is determined in this market is the actual rate of foreign currency. In determining the foreign currency rate, four factors are effective. They are:

1. the status of the balance of payments, in terms of surplus or deficit;
2. the situation of inflation in domestic prices;
3. foreign debts or the results of past deficits in the balance of payments that together comprise the country's debts;
4. what is called in economics the expected foreign currency rates, which determine the psychological moods of the society.

These four factors are actual and determine the foreign currency uses and resources of the country.

Current Balance of Payments

The current balance of payments shows the total supply, current supply, and current demand. The current demand, whether for imports, traveling, investments or speculation for foreign currency, is created at times of instability.

These instances are the foreign currency uses, but the foreign currency resources are from exports or entry of capital by foreign travelers, etc.

The current balance of payments shows the main root of actual supply and demand. If the balance of payments has a deficit—that is, the foreign currency resources are formed form the total demands in the society—it is not possible to control the rate of foreign currency—not that it is not good, it is not possible. Supply and demand will ultimately show themselves somewhere. If the demand is formed in the banking system, they are in the banking system, and if they are outside the banking system, they will show themselves outside the banking system.

Unfortunately, our banking system (the commercial banks that engage in buying and selling foreign currency), while making up a part of the foreign currency market, in fact, legally have no right to make decisions in buying and selling foreign currency and determining the rate. They act quite separately from the foreign currency market. In other words, an important problem is that this sector, which is responsible for 80 percent of the market of the foreign currency supply and demand in the country, is indifferent to such issues. Supposing the dollar in future years goes up or down, these banks are indifferent and write circular letters from the Central Bank. The speculator in the streets regulates his behavior moment by moment and orders the buying and selling of foreign currency. Whether in the speculation market, such as Frankfurt, or the sidewalk markets in Tehran or Esfahan, they constantly conform themselves to supply and demand. The banks legally do not have such authority. The remaining 20 percent maneuver in the market and the fate of the rates instead of being determined by the banks are determined by foreign currency dealers on sidewalks.

Here, the importer and exporter have no relationship with the bank, because there are higher rates, not that they are not interested, rather, the relationship with the banking system was weakened since their interests are elsewhere.

The initial fluctuations in the market, which are reflected in the price of various goods, have their root in supply and demand and nothing else.

Inflation

The second problem is domestic inflation, which creates unpredictable demands in the market. For example, if the demand is for buying foreign currency for the import of goods, you buy the foreign currency to import goods, but the foreign currency is bought at other times to protect the value of money. We need a collection of policies of general stabilization at the large scale, which if the government and the Central Bank follow, they protect our cash flow and the value of our money in order for the purchasing power of our money not to decline rapidly. The existing economic programs on a large scale have not been able to protect the value of people's money. When we are unable to protect the value of people's money, they begin to think of ways to protect the value of their money. Protection of the value of money is through buying foreign currency and gold because they are of interest at the level of international cash flow. Some durable goods are also bought to protect the value of money, but buying them is coupled with problems such as warehousing (place, location, and taxes on buildings and land). Foreign currency and gold are the two manifestations of hiding wealth because keeping them is easy and out of sight of tax agents. They only have to be protected from thieves.

These two negative phenomena in the economy are good tools for protecting the value of money. This demand is formed in order for the people to be able to protect their money, but they also affect prices and trade and cannot be prevented. The root must be found which is not in the balance of payments, and the need for purchasing foreign currency in this case is different from other general uses in the country, because it is created among the people. Hence, the factor of inflation, that is, rapid increase of prices, creates demands which alongside the first reason—that is, the current deficit of the balance of payments—shows itself very well.

International Debts

The third element is in international and foreign debts. These are debts that have been created due to the current deficits in the balance of payments in the previous years having now accumulated, creating a large figure and causing two problems upon the due date. They must either be paid from the current revenues, which reduces the current foreign currency resources of the country and decreases the supply of foreign currency in the market, or if we fail to pay this year, we must ask for additional time or postpone the debts. In other words, we must create current or new credit to repay the previous debts, which is nothing but a rapid increase in past debts, and the current interest rates of those debts will also increase. This will create the fourth effect, which is called expected prices.

Expected Prices

People are informed about the size of debts and the time for their payment through newspapers and know that such debts and additional interests will be a burden on the current balance, and the expectation is created that in the future our foreign currency resources will be much more limited because these debts must be paid from the current foreign currency revenues. Here we enter the fourth factor, which is related to the third factor and is also sometimes created independently. In other words, inflation and the instability of the foreign currency rate create the expectation in the people that the rate will again increase and the value of money will decrease. We prove these four factors as usual regarding the foreign currency fluctuations and say that they exist. With these four factors, the stabilization of foreign currency creates a problem for the Central Bank, especially since we have seen it frequently in the theories of international financial affairs. When the Central Bank takes steps to stabilize the rates, this stabilization may face two different situations. The people are certain that the Central Bank will succeed or the domestic factors are appropriate. This is when we have confidence in the position of the Central Bank. Those who have bought foreign currency in the past want to sell now, and those who have bought foreign currency to protect the value of their national money and not for imports now become sellers because they have confidence in the position of the Central Bank, since under the conditions of certainty, the rate announced by the Central Bank will be the maximum rate. This situation is referred to as policy in a state of confidence, and we become witness to a wave of foreign currency supply in the market.

The first wave is created by the bank, and the second wave is created at a time when those who have bought foreign currency in the past begin to sell it. The second situation is making a policy of stabilization in the state of uncertainty, in which we do not regard the Central Bank as successful in stabilizing the foreign currency rate. Hence, if the bank announces the rate at 500 tumans, people say the rate is even higher, and here they are buyers and not sellers, since when the high rate of 500 tumans is suitable for selling, the rate announced by the Central Bank becomes the best rate for buying. Hence, when we expect the foreign currency supply to be created in the foreign currency market, demand is created for foreign currency. In the most critical situations—that is, lack of certainly—both of these cases may occur; that is, the buyer knows that the Central Bank will not succeed, and hence, he does not buy, and the seller also says that it will not succeed and does not sell. This results in the increase in the foreign currency rate in the market. Here, no one can help the Central Bank, and previously no one helped the Central Bank. Even if in the state of confidence this help was done, under the conditions of uncertainty defending their interests require them to buy foreign currency, which will create additional demand in the market. When the Central Bank creates the first wave, the second wave is not created, and the reverse happens. In this case, the Central Bank itself must create the second wave as well as the third and fourth wave. Hence, under the conditions of uncertainty, the Central Bank is left alone in the market. In developing countries, because the policies of the Central Bank are implemented under the conditions of uncertainty, the Central Bank is left alone when it expects the people to buy and sell and vice versa. In other words, people move in the opposite direction than what the Central Bank wants. Hence, the bank must engage in this policy when it is sure that it will succeed and has created the necessary confidence in the people, but when the people see the Central Bank fail to succeed numerous times, their lack of confidence in the Central Bank disappears even more slowly. These four factors sometimes join hands and result in the explosion of rates. Hence, what policy should we follow? When decisions are made one after another and imposed on a trial and error basis, it causes lack of confidence on the part of the people in the Central Bank.

An article in a newspaper states: "Gold is not the people's daily bread. If the government subsidizes bread and milk, it should also subsidize gold and foreign currency." Why should the government subsidize gold, because it is related to necessary goods? There is a basic problem in this reasoning. Of course, it is true, gold is not the people's daily bread but an ornamental object. The increase in its price does not harm the people's needs directly, but the great problem with gold is that it causes the diversion of investments.

In Iran, national savings are low, but these national savings go partly into the gold market and the other part into the foreign currency market during fluctuations in gold prices. The problem in the price of gold and foreign currency prices is not in fact giving direct subsidy to goods. Our problem with regard to the price of the foreign currency and gold market is the diversion of capital, which enters the foreign currency buying and selling market. In order to prevent diversion of capital, and for the capital in the private sector to return to production, we must create stability in the gold and foreign currency market. Hence, considering the effect of the fluctuations of the rate of foreign currency on national savings and also on foreign trade, followed by the domestic economy, we are obliged to find a solution. Of course, such a solution, on the basis of a verified theory, cannot start from the foreign currency market, and it will result in the creation of more demand, which was tested by the Central Bank earlier. When the rate of foreign currency in the open market was 4,300 rials [R] and the export foreign currency rate in the Central Bank was R2,430, in order to make use of the R4,300 rate and not be subjected to the R2,430 rate, exporters sold their foreign currency on the open market. The Central Bank tried to get these two rates closer together, whereas this reasoning is very superficial and simple, and we have not taken into consideration supply and demand in an unstable situation. According to a circular letter, the government increased the export foreign currency to R4,120 for the exporter, and this was not the problem. The problem is that when the government increased the official rate of foreign currency from R2,430 to R4,120, the open market rate of foreign currency reached more than 500 tumans. Hence, demand is such that the demand graph itself is not stable. When we reach the new rate of balance, we are dealing with demand that is faced with the newer rate. In other words, the gap continues to be preserved; that is, the Central Bank saw the gap of 200 tumans between the foreign currency rate and the rate in the export market and took steps to eliminate it, but it saw this gap again in 24 hours. Not only did it see it, but when 24 hours reached 48 hours, this gap increased to over 200 tumans and again the Central Bank increased the export foreign currency rate somewhat, reasoning that exporters will offer their foreign currency in the banking system and the situation of foreign currency supply will improve, negligent of the fact that this decision in the situation of stabilization of foreign currency is effective and in these conditions will lose its effectiveness.

We have two situations in the foreign currency market: 1. the situation of stability, 2. the situation of instability. The situation of stability endures in a situation of balance and operates in the internal part of price. The rate of foreign currency goes up, and people will not buy up to a point that it stops. In the situation of instability, the graph of supply and demand does not respond in that form. Every rate is a prelude to a higher rate and more unstable balance. It does not stop our internal realm and moves us from one point to another. Every lack of balance is a prelude for more lack of balance, and efforts to create a single foreign currency rate are futile. The open market is not something that can be eliminated. No country in the world has such an experience. We can at least make use of the experience of the Soviet Union. In the Soviet Union, capital punishment was established for the buyers and sellers of foreign currency, and still it could not eliminate the open market. No government is able to eliminate the open market of foreign currency, because it is rooted in supply and demand. Secret transactions cannot be prevented (even in a car, one can buy and sell foreign currency). Hence, we have no solution but a stabilization policy in the foreign currency market and internal stabilization, that is, the implementation of a long-term economic stabilization program. In the short term, the stabilization program will create a critical recession, and in the long term, as well, it will respond late. The possibility exists for controlling domestic inflation to some extent. If more direct short-term solutions existed, no one would hesitate to implement them, and the Central Bank would not neglect them. Still, in no country has the rate of foreign currency been stabilized in a situation of inflation. Foreign currency itself, like other goods, has supply and demand. Hence, our solution is not a short-term solution. Rather, it is an interim one, and the necessary plan for it is economic stabilization. Iran implemented this program in 1340 [21 March 1961-20 March 1962] as well. It devised and implemented the deficit of the balance of payments and the problem of foreign currency at that time in the Tehran Conference, and since it was a short-term solution, the market suffered from recession. Now we cannot act as severely because it will have many of the recession consequences and cause economic damage. The economic program at the present must be much more moderate than what was done in 1340. Even though this program of economic stabilization will harm the ordinary people (the low-income), in the long term people will benefit because inflation is a tax that low-income people pay regularly to the high-income strata. Now it is much better for the government to receive this tax because the policy of economic stability focuses on tax increase. Of course, direct rather than indirect tax because indirect tax will have an opposite effect. This program will cause the government to face a lower budget deficit. A lower budget deficit will not absolutely respond through raising the price of government goods and services, because we do not forget our goal, which is the creation of internal stability, which is an anti-inflationary policy. An anti-inflationary policy cannot be implemented by increasing the prices of the government sector. Hence, the government in this program of stabilization must not increase the price of its goods and services. A decrease in the budget deficit during the implementation of the economic stabilization is through expenditure taxes, that is what government can omit from its expenditures. The government itself can examine this issue. The government has organizations that it can deduct from its expenditures, and we have no other solution. If we do not want to increase taxes, the government must reduce its expenditures in order to achieve a balance in the budget. In this program, the private sector is also controlled, from the expenditures in public consumption to huge investments. If in order to compensate for these investments we are able to reduce the investments in the private sector and respond through the return of investment from the foreign currency market, once the wave of economic stabilization is done and payment of foreign debts is easier, people's expectations will not be inflationary, and this will improve the foreign currency market as a result of following a general framework of stabilization.

Conclusion of the Discussion

We are in a situation of inflation coupled with a deficit in the balance of payments. Inflation, in addition to having an effect on the deficit in the balance of payments, has other economic and social effects and consequences.

Despair and extensive decrease in motivation for beneficial and effective social activities and sound social activities, etc., are some of the social effects of inflation.

In the economic dimension, too, lack of confidence and the diversion of capital from effective and productive activities to activities such as middleman transactions follow inflation, and hence it seems that controlling inflation is the most urgent program under the present conditions.

On the other hand, based on a general theoretical and provable rate, in inflationary and deficit conditions, we must start with the domestic sector; that is, the control of inflation. In fact, to counter the fluctuations of the rate of inflation, the proper solution must also be sought in the stabilization of the domestic sector.

Hence, our clear suggestion to the government is to devise a stabilization plan regarding inflation coupled with the deficit in the balance of payments. As a general and provable theoretical rule, we must not enter the foreign currency market, and the rate of foreign currency must not be manipulated. If there is a solution, it must be sought in domestic anti-inflationary policies. Any sort of domestic inflation will destroy any sort of special foreign currency policy we have. We are not dealing with a demand that has a stable situation. For this reason, our clear suggestion to the government at this point is to devise an interim economic stabilization policy, so that this program directly enters the domestic market and the foreign currency market.

Question and Answer

[Question] The most urgent policy is the economic stabilization policy, and it seems that based on this view, the stabilization policy is different from the present policies; that is, the structural modification. Under such conditions, is the immediate return from modification to stabilization possible?

[Answer] If the modification policy is followed in its correct sense and is not done hastily, it is not contradictory to the stabilization policy.

The stabilization policy causes the government to take the mechanism of tax expenditures, and the modification policy sometimes helps the government to reduce its expenditures. There is no particular conflict except when the government wants to reduce its expenditures and begins this reduction of expenditures from its most excessive sectors or from the low-profit companies and not from the best sectors or subsections. These actions will provide more power to control the government budget deficit.

[Question] Is lack of conflict between the true form of modification policy or what has been done in our society under the heading of modification? [as published]

[Answer] The modification policy is to create more breathing space for the private sector. In other words, the private sector gradually achieves better breathing room. Modification policy is absolutely by no means meant to transfer national wealth in an unmeasured and hasty manner. The modification policy that has been implemented in these five years requires a basic revision. It is in a basic revision in which we can see what the dimensions and concepts of the modification policy are. Hence, what is meant is a particular form of modification policy.

[Question] As we know, the actual rate of interest in the Iranian economy is negative. What effects will follow this matter? How should it be improved? And what effects will very high interest rates in the unofficial and usury markets have on the economy?

[Answer] The rate of interest, the increase of which is strongly defended, initially creates two critical problems. One is that the policy of the interest rate in Iran and in many developing countries changes into an inflationary policy, because it does not enter the price structure. The interest rate policy is an anti-inflationary policy, but this policy is anti-inflationary when it does not enter itself in the mechanism of price. If by paying more interest, whether in the banking system or in the open money market, we are able to collect this additional interest from the final consumers by changing the prices, while demand is not high, we impose the increase in the price on the consumer even more, because demand is either low at the low-income level or at the level of high incomes. If demand were high, the employer could not transfer the interest rate to the consumer because the appeal of the price prevents it, but in a situation in which prices are not appealing, this transfer is very easy. Here, the policy of interest rate changes from inflationary to anti-inflationary, is the cause of increase in prices itself, and loses its effect on the control of demand for money. Generally, we must reduce people's going to the open money market through better distribution in the banking system, and because in a special situation this form of interest rate policy does not respond properly, it is itself an inflationary phenomenon, and the interest rate must be reduced somewhat. Perhaps the decrease in the interest rate will be in conflict with the stabilization policy that we mentioned first, but we must note that the interest rate policy is in conflict with the stabilization program that is anti-inflationary because the stabilization program is anti-inflationary and these two must be coherent. If the interest rate is going to work as inflationary, however, reducing it is not contrary to the economic stability program. In that case, the banks will not be in an active condition when usually they have large money resources and due to high interest rates have a high cash flow, which will reduce people's going to the open money market, and we will be able to modify the structure of the interest rate somewhat and encourage private sector investments in this way.

[Question] It is said that last year, the Central Bank published more than 250 foreign currency circular letters. In other words, except for the holidays, we had a new foreign currency circular letter every day. In your opinion, to what extent have the policies of the Central Bank been on the basis of a precise understanding of the problems of the Iranian economy?

[Answer] The Central Bank last year had 250 foreign currency circular letters, and this will have problems in the economic issues, especially in the sensitive foreign currency market, it will have the worst results. The Central Bank must study the issues and carefully in order not to fall back on a policy of trial and error.

[Question] How effective has the policy of devaluation of the national currency been in creating the present problems?

[Answer] If the devaluation policy or the policy of devaluing the foreign rate of money falls on the course of the rate expenditures, it becomes an inflationary policy. For example, when the export foreign currency rate goes up, exports are encouraged, but if we cannot control inflation before devaluation or during it, the prices will go up again, and thus in order for exports to continue, the rate of foreign currency must go up again because domestic prices determine the cost of production for the exporter, and the rate of foreign currency determines the income of the exporter. If these two increase cyclically—that is, the rate of foreign currency goes up—the prices go up.

Again, the foreign currency rate goes up. This dangerous cycle is called the foreign currency expenditure cycle. If devaluation is done without a stabilization policy, it will have dangerous dimensions and will have a share in creating problems.

[Question] Domestic inflation affects demand for foreign currency in the foreign currency market, and with this increase in demand in this area and the increase in the rate of foreign currency, inflation increases again. Domestically, how can this cycle be eliminated?

[Answer] Only with a stabilization program. We have a domestic sector with domestic prices and a foreign currency sector where we enter the foreign currency market. We must start stabilization from one of these two sectors. In other words, one of these two sectors will be a priority. Experiences and economic theories also verify that in such cases, usually work starts in the domestic sector and not in the foreign currency sector.

[Question] There are whispers that have started about changing the monetary unit. Is this true, and how effective will it be in solving the present problem?

[Answer] Changing the monetary unit does not solve any problem. It is a physical problem and only moves the zero back and forth. Money itself is an intangible issue. Our problems must be solved in the production sector. Money in itself is not clear wealth. Changing it, not to mention that it would cost billions, will not benefit us. We say that the government must have economic conservation and follow a stabilization policy, then we can control inflation. Taking this money out and bringing in new money and the accounts that will be disrupted is itself an inflationary policy. The existing books will also be disrupted. Under the conditions that we do not need such tools, we must not do so because the issues are not real.

[Question] How can the independence of the Central Bank from the government effect solving the present problems?

[Answer] We always need to understand the actual meanings, framework, and dimensions of a term. When we refer to the independence of the Central Bank, independence itself is a word. But what is meant by the independence of the Central Bank, and what is it that we want to make independent? What are the dimensions of this independence? What levels will it cover? What will it be in practice?

Regarding the issue of the independence of the Central Bank, we have two methods: 1. We want to have an independent Central Bank. We must specify the issues in implementation and the dimensions in the course of work, like traveling. We determine the route during the trip. 2. Before doing this, in economy, we ask what is the meaning of the independence of the Central Bank? What goal do we want to pursue? We do not want to create a special government in which the Central Bank can do what it pleases. The second solution has the advantage that we do not resort to the policy of trial and error. We do not suddenly see ourselves confronted with a situation with no way to turn back. The solution is to understand the meaning of the term—not the literal meaning, but the economic meaning. We must know what its framework is. Its strength must be specified, and then we must move toward it and not be deceived by statistics early on. Switzerland and Germany have the most independent central banks and the lowest rate of inflation. Japan has a very dependent central bank with a low inflation rate. The issue of independence of the Central Bank is a realistic issue, and the Central Bank must remove its money from under the burden of financial policy. There is no doubt about this, but our problem is that we must think, if we make the Central Bank independent, it is dangerous, and if we think by doing so, we would solve all the problems within a month, this is dangerous. If they are not solved, we think that we made a mistake and change the policy again. In other words, we say, the Central Bank must be governmental. What is the actual role of the Central Bank? There are issues hidden beyond the independence of the Central Bank. The experience of Germany and Japan show this very well. In order to show the structural role, I will mention research that was conducted in 1991. Here, in one period, 16 countries, which included the four members of OECD and the other four countries [as published] included Norway, Spain, Denmark, and New Zealand, in the period from 1950 to 1989 controlled and tested their central banks on the basis of their own criteria with the rate of inflation and came to a conclusion which is astonishing. In the beginning, they concluded that generally, the central bank's independence was coupled with inflation, which is true, but I divided this period into four 10-year periods and also divided the 40-year period into four secondary 10-year periods, and found that in the first two decades, independence had no effect on inflation. In the next decade—that is the third decade—the economic criteria of independence are meaningful, but in the fourth decade, the political criteria are meaningful. These conclusions are available in the Central Bank publication. One issue that has been tested is that in the course of 40 years, when they saw that the independence of the Central Bank shows a connection with the decrease in the rate of inflation, later, when I divided the period, I found that the first two decades are separate—that is, it has had no effect—and in the following decades, it has different effects. In other words, the independence of the central bank is not a determining factor, even though it is quite important, but there are other factors as well. In the same countries, the economic structures had changed after the war. Until 1970, the economy was dealing with the problems of war in Europe; the structure of the economy had changed somewhat. The Common Market in OECD had changed, and their relationship with the United States had changed. If we want to relate these issues to the independence of the Central Bank, in our behaviors, we will face the same problems that were mentioned now, whereas if we want to investigate carefully, we find that the issue of independence itself is important and worth endorsing, but the conditions that were mentioned must be taken into consideration. Its framework and meaning are important as is its method of implementation, and also the domain of its authority must be understood as well as how this independence should be implemented in practice. If we do all this, we can discuss the concept of independence in its true form.

Draft Position Paper of Mojahedin of Islamic Revolution

96LA0045A Tehran 'ASR-E MA in Persian 18 Oct 95 pp 1, 6

[FBIS Translated Text] In the name of God, the merciful, the compassionate.

Since the first stages of its renewed operation, the Mojahedin Organization of the Islamic Revolution, in view of its former political and organizational experience, has had on its agenda as an inevitable necessity the compilation of fundamental positions on political, cultural, social, and economic affairs. A special commission was given the responsibility of writing a draft of the aforementioned document and submitting it to the Political Council after holding discussions and exchanges of views.

What is now before our intellectual colleagues, our friends and the intended audience for the organization and the publication 'ASR-E MA, is the product of long and continuous work and discussion in the Political Council, which is now being prepared as a proposal to the Central Council and the Organization Council. We preferred to have all the readers of 'ASR-E MA and the friends of the organization participate in this discussion so we could benefit from their views and proposed amendments and additions, in order to present the document as a proposal for final approval to the organization's decisionmaking body after the finishing touches are applied and the defects are removed.

We hope that with the active intellectual participation of our readers and with them sending their constructive criticism and proposals, the precision, depth and richness of the document will be improved, and the principal positions and fundamentals will be compiled on political, cultural, social, and economic affairs. In general, the organization's positions on foreign policy, domestic policy, and cultural, social, and economic affairs are compiled under five general headings: Introduction, Principles, Goals, Analysis of Conditions, and Positions on the Most Outstanding Issues.

In conclusion, it is necessary to mention that the first draft on positions was written almost two years ago. However, in view of the rapid changes that have taken place on the international and national levels, it was necessary to review these positions. On the other hand, there was limited distribution of this draft for critiques by certain experts, and the inclusion of their views in itself required much time. Therefore, although the aforementioned document was to be given to 'ASR-E MA's readers by the end of last year [20 March 1995], this has been delayed until now. Of course during this period 'ASR-E MA has conveyed some positions to its readers in the form of editorials and in discussions of current affairs. However, we hope to publish the draft document on the positions of the Mojahedin Organization of the Islamic Revolution, independent of the day-to-day articles. This is a duty we hope to fulfill on a continuous basis in the next few consecutive issues of 'ASR-E MA.

We now present for our esteemed readers the first part of the aforementioned document, which is the organization's positions on foreign policy.

1. Positions of the Mojahedin Organization of the Islamic Revolution on Foreign Policy

1.1 Importance of Foreign Policy and Its Effects on the Fate of the Revolution and the Government

In the modern world, especially in the closing decades of the 20th century, the growth of technology and knowledge has increased the ties, mutual dependence, and commonalties of the world. In such a world, no country can ignore international alliances and ties and continue its life while looking inward, paying no attention to international conditions and ignoring the importance and effects of foreign policy and relations.

Likewise, no government can escape the interaction between foreign policy and domestic relations in economic, social, cultural and political affairs. To these realities must be added the sensitive conditions and the crisis arising from the collapse of the bi-polar system. The world is now going through a chaotic period. The ceaseless efforts by U.S. imperialism to spread its domination in the world's strategic regions and to enslave oppressed nations, which have reached a new peak in the last decade, make the importance of foreign policy ever clearer in the eyes of all governments, and especially the independent governments.

In addition to the aforementioned general and worldwide characteristics and reasons, other exigencies and special factors double the importance of foreign policy for a country like Islamic Iran. Our vast natural energy resources, our outstanding position in geopolitical terms, especially the world views and positions of the Islamic Revolution of Iran, which have given rise and will give rise to various sensitivities and positions by the governments of the world, have made special attention to foreign policy a necessary and outstanding matter for us. In view of the above, and in such critical circumstances, the Islamic Republic of Iran has no choice but to maintain a serious and active presence in international affairs. Any kind of political isolation or building of walls will come face-to-face with inescapable realities, and the general course of world events, like it or not, will draw us into struggles and conflicts that go beyond nationalities and borders.

1.2 The Necessity To Have Principles, Goals, and Strategic Positions on Foreign Policy

The importance of foreign policy and relations, in view of Islamic Iran's special circumstances, makes clear the necessity to use firm principles, clear goals and stable strategic policies to achieve national and Islamic goals. The lack of any one of the aforementioned elements will lead to confusion, wasted energy and resources, deviation to the right and the left, repeated mistakes, the loss of initiative and loss of the ability to be effective in international affairs. In addition to all these things will come irreparable losses, lack of credibility and the loss of international confidence in our foreign policy positions.

It is possible that the naive may believe that the lack of specific goals and strategic positions in foreign policy may itself be considered a benefit and a strength, because it will confuse the enemies of the revolution and will deprive them of the power to anticipate what we do, thereby reducing the government's vulnerability. However, these people must realize that first of all the confusion and inability to anticipate one's future actions will affect both us and our enemies. While they will not be able to evaluate and predict the government's present and future positions, at the same time other countries will not be able to give us timely support in international affairs or be self-reliant and self-sufficient based on our support.

Second, if such a situation were to continue, in addition to the loss of international confidence and the loss of the nation's position and credibility, such a policy would be efficient only as long as the opposing parties were unaware of it and did not know the place of the chaos and the lack of order and harmony in our international theories and behavior. Otherwise—and this is quite possible and feasible—this would itself become a great weakness and would increase the government's vulnerability, while the ability of our enemies to exert influence and do damage would increase.

Unfortunately, despite the importance and the crucial role of principles, goals and strategic positions in foreign policy, our Islamic government does not enjoy the full benefit of such a thing, and because of this it has suffered much damage to date and will continue to do so. It is worth mentioning that the government of the Islamic Republic of Iran, based on its ideological and revolutionary essence, and in view of the necessity to prevent bad and undesirable effects from international political relations on its policies and economic, social and cultural relations, must base its principles, goals and foreign positions on Islamic and revolutionary principles and aspirations, and it must also compile and write them in view of its interests. In this regard we have tried to write and compile our positions and fundamental theories on foreign policy, making use of various theoretical sources such as Islamic teachings and the principles and fundamentals of the revolution and the Constitution, while keeping in mind the current realities of the environment of the revolution, the government and the world.

It is necessary to mention that these positions bespeak the principles of foreign policy and the strategic fundamentals of foreign relations, that in practice the planning and organization of these relationships, based on the aforementioned principles and fundamentals, must be flexible and that various political, economic, technical and cultural considerations must influence this planning. A careful analysis of the specific circumstances will determine the place of each principle and strategic fundamental in its specific context. Although having Islamic and revolutionary principles, goals and policies based on national and revolutionary interests are the necessary requirements for any position in world affairs, the existence of skilled, aware and organized management for implementing and guiding policies and foreign relations is a necessary requirement without which principles, goals and strategies will not go beyond words and the dichotomy and the gulf between theory and action will ultimately lead to the lack of a foundation, while the conflict and confusion will remain in place.

In view of the above, the organization presents its positions and views on the major principles, goals and issues in foreign policy as follows:

2. Principles of Foreign Policy

What is meant by principles is those fundamentals and criteria that form the basis of our actions and work, in such a way that our goals or positions must not and cannot be in conflict with them. Principles are the theoretical guide and criteria for evaluating our behavior in foreign policy. These principles arise from Islamic teachings and the strategic theory of survival and resistance (not the strategy of submission and not the strategy of aggression) and preservation of national interests. They consist of:

2.1 Human happiness throughout human society;
2.2 National independence, glory and greatness for the nation and the revolution, and the existence of the government of the Islamic Republic of Iran;
2.3 Opposing oppression and seeking justice in the sense of rejecting and resisting the system of domination in the world, defending the rights of oppressed nations and

defending movements that seek justice, liberation and Islam;
2.4 Unity in principle with the Muslim world, with a desire for progress for the purpose of preserving the interests of Muslims and the body of Islam throughout the world;
2.5 Unity in opposition to imperialism with all independent* governments and nations under oppression;
2.6 Peaceful coexistence and good neighborly relations in the framework of mutual understanding and respect with all governments, nations and peoples based on the Koranic principle of mutual understanding;
2.7 Sincerity and loyalty to commitments, while preserving the nature and personality of Islam in treaties and political agreements.

These principles are derived from the basic foundations and teachings of Islam, the lessons of the revolution, the Constitution and the national interest; adherence to them is essential and beyond question. A government that arises from a religious revolution and a desire for freedom and which emphasizes the nation's territorial integrity cannot ignore the glory and honor of the Muslim world and adopt a negligent stance towards the expansionism of foreigners. Piety, sincerity, and adherence to ethical principles must prevail over the goals and positions of such a government in all areas, including foreign policy. Loyalty to commitments and maintaining agreements are the ethical characteristics of the politics of Islam in relations with foreigners. Violations of commitments and treaties are the moral characteristics of an infidel political system.

Attention to the points below is necessary in the area of the principles of foreign policy:

A. the principles that prevail over foreign policy though the implementation of goals and positions—and not directly and without intermediaries—are realized in the context of foreign policy;
B. if there is conflict among the aforementioned positions in special circumstances, the short- or mid-term strategic positions will be used to resolve the problem, and the procedure for applying principles will be determined according to the specific situation;
C. adherence to these principles must be done realistically, and not based on pragmatism; this adherence must not violate principles or principled behavior in any way.

3. Foreign Policy Goals

In addition to enduring and persisting based on clear principles, foreign policy and practices and behavior in international relations must be goal-oriented and with direction. These goals and directions are determined by short- or long-term strategies which are intended to achieve ultimate goals. The realistic and true strategy under the current conditions in the region and the world is the strategy of steadfastness and resistance, and the strategy of submission or aggression is on the one hand incompatible with Islamic beliefs and on the other hand is in conflict with the interests of the nation and the realities pertaining to the existence of the revolution and the government. Thus all the policies of the revolutionary government in all domestic, foreign, military, economic and other areas must be aimed at the aforementioned strategy. The present writing discusses interim and strategic goals in foreign policy and relations, in view of the strategy of steadfastness and resistance. While these goals are directed toward the interests of the revolutionary Islamic government, they also encompass the principles and strategic interests of the revolution.

3.1 Maintaining Territorial Integrity and Achieving National Security and the Interests of the Nation and the Revolution

One of the most important foreign policy goals of any country is maintaining its territorial integrity and national security and meeting economic, military, political and security needs through relations with other countries. Economic and social development also depends on goal-oriented, principled and planned development of foreign relations with other countries. In the current critical circumstances, Islamic Iran is faced with difficult problems such as reconstruction and development and also visible and invisible foreign and domestic plots. More than at any other time it needs to overcome shortcomings and gain authority and power in the economic, military and political domains, and it needs to secure its borders. All of these things must be put in good order based on the first foreign policy principle, which is national independence.

3.2 Promoting and Spreading the Ideas of the Islamic Revolution

Presenting a clear image of revolutionary and Islamic Iran and presenting it to the people of the world as a model will spread the idea of the Islamic Revolution, make friends and supporters among nations and governments, and prevent the enemy from making hostile decisions. While this will strengthen and deepen the internal foundations of the revolution and the government, it will establish the idea in the minds of the people of the world that the continued existence of Islamic Iran is reliable and secure, and the inspiration of the progressive, just and liberating gains within national borders throughout the world will make it difficult for the enemies of the revolution and the government to practice their political and military methods.

3.3 Creating Unity in the Muslim World

In terms of beliefs, culture and history, Islamic Iran is an important part of the body of the Islamic nation. Our enduring glory and authority depends on the glory and authority of the Muslim world. The removal of discord and differences, making the Muslim nations aware of the true benefits of the Muslim world and achieving actual unity among Muslims must be an important and unwavering goal in the foreign policy of the Islamic Republic of Iran. At the same time, progressive unity in the Muslim world must itself be a principle in ordering our foreign relations with the world.

* In our view, a government and a country is independent when its decisionmaking center is within its borders and when the government, rather than foreign powers, designs and adopts its own strategy.

Gingrich Call for Covert Action Against Nation Viewed

96LA0070A Tehran KAYHAN INTERNATIONAL in English 2 Nov 95 p 2

[Editorial by Yasmin P.]

[FBIS Transcribed Text] That man Newt Gingrich, who called American First Lady Hillary Clinton "a bitch", has recently come out with some new bit of nonsense about a plan seeking $18m of the U.S. intelligence budget to finance a "covert action" to "oust the Tehran regime".

Gingrich may be one of the most powerful figures in American politics. As speaker of the House of Representatives, he is second in succession to the presidency behind the vice-president.

However, as far as we are concerned his position is confined to the chair that he occupies, which is controlling the unruly Republican-dominated house. It does not extend beyond that and certainly not overseas to internal Iranian affairs and the kind of government the Iranian people want.

We beg your pardon, Mr. Speaker. If anyone wants to "oust the Tehran regime", it is for the Iranian people and the people only, to decide and not for those who warm the seats in the White House and Capitol Hill. Given the strong support that the "regime" enjoys from the Iranian masses, its "ouster" is highly unlikely even with the entire U.S. intelligence budget.

American leaders are increasingly getting hysterical about the Iranian "danger", when in reality, Washington itself preaches and pursues a philosophy of terrorism. It has this obnoxious policy of interfering in third world affairs—supporting regimes even illegal and dictatorial, when it suits its interest and dropping them as quickly like hot potatoes, when it doesn't, leaving a trail of disasters behind.

Opposition and dissidence are a part and parcel of the political process in any country and Iran, like every other nation in the world has its own opponents who seek to unseat the "regime". But when an overwhelming majority of the Iranian people want to preserve the status quo, there is absolutely no logic in outsiders plotting and planning to undo the Islamic establishment, which has been legally set up.

This is a transparent transgression upon the rights of a sovereign, independent nation and peoples.

While the western nations have always stood united in their dealings with the third world, it is a pity that the strife-ridden developing countries represent ugly divisions and weaknesses, marked by a total lack of unity in thier stand vis-a-vis western arrogance.

Gingrich told a Jewish group in Atlanta on Sunday [29 October] that the U.S. should prepare "to defend itself against an Iranian government determined to conquer its western enemies" and he "warned" the U.S. must recognize that in the next 20 years, Iran would be the "most dangerous country in the world".

Whipping up tensions in the Persian Gulf region, are a deliberate and calculated move by U.S. politicians. Washington is aware that its frequent anti-Iran rhetoric will not help stability in the Persian Gulf, which is a primary concern of the regional governments, who though have expressed apprehensions over the West, however, have not had the courage to do so boldly, strongly and openly.

Qom Theological School's New Management Council Named

96LA0070B Tehran KAYHAN INTERNATIONAL in English 5 Nov 95 p 2

[FBIS Transcribed Text] Tehran, 4 November—**The new manager and seven members of the High Management Council of Qom's Theological School were introduced in a ceremony in the holy city on Friday [3 November].**

During the ceremony Naser Makarem-Shirazi, Reza Ostadi, Seyyed Ostadi, Seyyed Mahmud Hashemi, Moqtadai, Mahfuzi, Eftekhari and Rasti-Kashani are new members of the council [as published]. Four of them sat at the council during the past session.

Hojjat ol-Eslam Hoseyni-Bushehri was elected deputy manager and Hojjat ol-Eslam Qazi as staff member.

Addressing the participants, the secretary of the High Management Council of the Qom Theological School Ayatollah Makarem-Shirazi said: "The theological school has 30,000 Tollab (theological students), preachers, writers and clerics".

He said "When the late Imam Khomeyni was alive, nine persons were elected as members of the High Council and then the new council was created with six members. During this tenure seven people were elected and the supreme leader endorsed it in writing".

The new manager of the council, Ayatollah Ostadi urged all students and teachers to cooperate with the management and praised the services of the outgoing management.

The special ceremony was attended by the leader's representative, Hojjat ol-Eslam Mohammadi-Golpayegani, chief of the Council of Experts Ayatollah Meshkini and senior clerics.

Ganji Named Quetta Consul General

96LA0070C Tehran KAYHAN INTERNATIONAL in English 6 Nov 95 p 7

[FBIS Transcribed Text] Tehran, 5 November (IRNA)—Ebrahim Ganji has been named as Iran's Consul General in Quetta, Pakistan.

Ganji formerly served as deputy chief of the foreign ministry's West Asian department.

Pakistan

Charge of 'Fomenting Trouble' With U.S. Rejected

BK0512164295 Islamabad Radio Pakistan Network in English 1600 GMT 5 Dec 95

[FBIS Transcribed Text] The foreign minister, Sardar Asif Ahmad Ali, has taken strong exception to the Indian home minister, Mr. S.B. Chavan's reported statement in the Indian Parliament yesterday alleging that Pakistan and the United States are fomenting trouble in occupied Kashmir. He reminded the Indian home minister that it was the brutal repression of the innocent Kashmiri people by the Indian forces during the past five years which is responsible for the deterioration of conditions in occupied Kashmir. The foreign minister also reminded the Indian home minister that instead of finding a negotiated settlement of the Kashmir dispute, India chose to bludgeon the Kashmiri people into submission. As regards Pakistan's alleged involvement in fomenting trouble in occupied Kashmir, the Indian minister would be well advised to consult the UN record, where Pakistan had proposed last year of enhancing the number of UNMOGIP [United Nations Military Observers Group in India and Pakistan] observers from 30 to 200 to investigate complaints regarding violation of Line of Control. It was India which rejected Pakistan's proposals.

Minister Hails Statement of U.S. Embassy Spokesman

BK0612042395 Islamabad Radio Pakistan Network in English 0300 GMT 6 Dec 95

[FBIS Transcribed Text] The foreign minister, Sardar Asif Ahmad Ali, has taken strong exception to the Indian Home Minister Mr. S.B. Chavan's statement in the Indian Parliament alleging that Pakistan and the United States are fomenting trouble in occupied Kashmir. He reminded the Indian home minister that it was the brutal repression of the innocent Kashmiri people by Indian forces during the past five years, which is responsible for the deterioration of conditions in occupied Kashmir.

The foreign minister welcomed the statement by U.S. Embassy spokesman in New Delhi who rejected Indian minister's baseless accusation and called upon India for an immediate end to the violence in occupied Kashmir and finding a negotiated settlement of the dispute with Pakistan. The foreign minister also reminded the Indian home minister that instead of finding a negotiated settlement of the Kashmir dispute, India chose to bludgeon the Kashmiri people into submission. Foreign Minister observed that it is surprising that after closing all avenues of a constructive dialogue on the Kashmir dispute, Indian leaders have the temerity of accusing Pakistan of fomenting trouble in occupied Kashmir.

The United States has strongly refuted Indian accusation that Washington was fomenting trouble in the Indian-held Jammu and Kashmir. A U.S. Embassy spokesman said in New Delhi yesterday that the Indian home minister's accusations against his country in this regard are without any basis. He said the United States has been for a long time encouraging India and Pakistan to negotiate a settlement of the Kashmir dispute taking into account the wishes of the people of Kashmir.

Report Details Expulsion of French Organization

BR0612094095 Paris LIBERATION in French 2 Dec 95 p 7

[Report signed "J.-P. P.": "Eleven French Citizens Expelled from Pakistan"]

[FBIS Translated Text] Pakistan, which seems determined to overthrow President Rabbani's government in Kabul, has decided to expel from its territory one of the main French nongovernmental organizations [NGO] operating in Afghanistan. The 11 French citizens working for this association, Madera, have just received official notification from Islamabad that they must leave Pakistan with their families by 11 December at the latest. All of the offices and premises of the NGO, which employs more than 400 people on the ground, will have to be closed by that date.

Pakistan accuses the association, whose secondary base is in Peshawar in the northwest part of the country, of supporting the Kabul government, something that is formally denied by Madera's general director Monique Otchakovsky-Laurens. Specializing in rural development and the resettling of refugees, Madera, with a budget of 24 million French francs for the most part subsidized by the EU, operates in Afghan provinces controlled by a variety of factions.

"Is it because we are working in opium or wood trafficking areas which benefit Pakistan that we are the victims of this expulsion?" the general director wonders. The notification of the expulsion of a French NGO is all the more surprising given that Pakistan has promised to buy 32 Mirage 2000 fighter aircraft from France.

Editorial Applauds Expulsion

BK0512133795 Islamabad NAWA-I-WAQT in Urdu 5 Dec 95 p 10

[Editorial: "Action Against French Organization"]

[FBIS Translated Text] The Pakistani Government has declared the presence of the French nongovernmental organization (NGO) Mathera in Pakistan illegal. Its offices have been closed and its 11 French staff members have been told to leave Pakistan. The decision to expel them was made on the grounds that they were providing financial support to the Afghan president's administration. The Pakistani Government's decision to ban the French NGO is certainly a very sensitive issue. The manner in which NGO's have mushroomed all over our country and the way they work needs to be watched very closely. Many of the organizations that operate in Pakistan are working for others, and their operations are dubious. People involved in these NGO's have seriously harmed Pakistan on the international level. Our carpet industry has been destroyed by these people. They have put Pakistan in an embarrassing position on the issue of child labor, and now they are bent on damaging our cotton exports. It is important for any government to keep an eye on foreigners working in the country. The 11 members of the French organization have been expelled because they were working against the interests of Pakistan while sitting on Pakistani soil. No country can tolerate the use of its own land by outside intruders to harm its interests and weaken its foundations.

Editorial Discusses Issue of Trade With India

BK0612102795 Islamabad THE NEWS in English 6 Dec 95 p 7

[Editorial: "Trade With India"]

[FBIS Transcribed Text] A consensus is being developed or rather thrust on Pakistan that it should increase its bilateral trade with India. In the latest case, a call for it came at a seminar held in Islamabad under the joint sponsorship of the Institute of Regional Studies and the Konrad Adenauer Stiftung, a German NGO [Nongovernment Organization]. The seminar was on "SAARC-ECO [South Asian Association for Regional Cooperation-Economic Cooperation Organization]; Pakistan's Perspectives and Prospectives", but the thrust of discussions was on Pak-Indian economic relations. As the main speaker was Shahid Javed Burki, it is generally inferred that there is an inherent blessing of the UN system behind the idea that both the countries should open their economic frontiers to each other, putting their political differences aside.

Dr. Mahbubul Huq had been toying with the idea since long and he is now promoting it through his project of South Asian Human Index, for which he has already opened an office in Islamabad. Members of UN/World Bank think tank are promoting the idea in the context of reduction in defence expenditure. Former caretaker Prime Minister Dr. Moeen Qureshi who is presently in Pakistan as a World Bank emissary is also reportedly working on this theme. With such a broad perspective around, the opening of trade with India means much. Pakistan is presently doing trade with India on some 550 items, by maintaining a sort of high wall of non-tariff barrier for other goods. With the launching of the South Asian Preferential Treatment Arrangement (SAPTA), a large number of items have been given tariff preferences, which will add to the list.

But the question which is being pertinently asked is: how come Pakistan put a barrier on trade with India when it is opening its trade with all other countries under the Uruguay agreement. The Uruguay agreement provides for most favoured nation (MFN) treatment by one country to the other, under its market access provision. It is in this context that India has been mounting pressure on Pakistan to open trade and it even indicated at a time that it could move the World Trade Organisation (WTO) asking for MFN status from Pakistan. This was also what reverberated in the Indian media during the visit of Commerce Secretary Salman Faruqui to New Delhi last month.

Pakistan has so far been resisting the pressure on two counts. First, it cannot open the economic frontiers so long as the last item in the agenda of subcontinental partition, i.e. Kashsmsir's affiliation with Pakistan, is completed. Secondly, this will harm Pakistani products which cannot compete with Indian goods, price wise and quality wise.

It is, however, argued, now that if Pakistani goods have been exposed to the world by removing non-tariff barriers and reducing tariffs gradually, should it protect its products only against Indian goods. And even if it wants to do so, is it possible practically, as Indian goods can find their way (and they are finding in a big way) into the Pakistani market through clandestine ways. With these open questions in mind, Pakistan has to take a decision, however, keeping national interests high in mind.

President Leghari Calls National Economy 'Stable'

BK0612053695 Islamabad Radio Pakistan Network in English 0300 GMT 6 Dec 95

[FBIS Transcribed Text] President Farooq Ahmad Khan Leghari says national economy is stable and the government has given a number of incentives to the exporters for boosting the exports. He was addressing the 17th Export Trophy Awards of Federation of Pakistan Chambers of Commerce and Industry in Lahore last night. He said rapid economic growth, which is vital for the national economic prosperity could only be achieved by mobilizing all resources for promotion of exports.

President Farooq Ahmad Khan Leghari said the government has undertaken reforms in the trade and financial sectors besides simplifying the foreign investment procedures. He said that the efforts made by the public and private sector have borne fruit and the Pakistan exports in the year 1994-95 increased by 18 percent. The president said despite the constraints on financial resources, the government has made substantial funds available for export promotion. He called upon the exporters to penetrate new markets and diversifying away from traditional to higher value added projects.

While talking about the government's steps in foreign investment sector, he said that the Board of Investment have been set up which acted as a one-stop shop for the investors. The president said the government has also taken various steps to improve labor productivity and enhance the quality of the products. Sardar Farooq Ahmad Khan Leghari said as regards foreign investment the government has implemented several measures aimed at making investment in Pakistan a more attractive option.

Talking about the political stability in the country, the president said a stable political environment is essential for progress. He said all the political parties have a consensus on all national issues.

The prime minister, Ms. Benazir Bhutto, in a message on the occasion said the government is pursuing the policies of privatization, deregulation, and economic liberalization with great vigor, accountability, and transparency. She said a number of incentives have been given to enable our industrialists and traders to boost exports. She said we have full confidence in our exporters. The prime minister called upon the federation that emphasis should also be made to explore new markets for our products and the government will extend all possible support in this regard.

Earlier in his welcome address, the president of Pakistan Chambers of Commerce and Industry, Mr. S.M. Munir, said that the package of incentives for textile and nontextile sectors announced by the government would have positive effects on the export of country. Earlier, the president gave away awards to 86 firms and individuals for their significant role in the exports of the country.

Adviser Says Policies Yielding 'Positive Results'

BK0312154595 Islamabad PTV Television Network in English 1300 GMT 3 Dec 95

[FBIS Transcribed Text] Adviser to the prime minister on finance and economic affairs Mr. V.A. Jaffery has said the program being pursued by the government is yielding positive results and the fundamentals of economy are very much sound. Briefing newsmen on the overall state of the country's economy in Islamabad today, he said the policy of deregulation, opening up of economy, and dependence on market forces is paying in the long run. He said agriculture has shown 6.2 percent growth rate and consumption of urea fertilizer has registered an increase of more than 70 percent during the current rabi [spring] season. Mr. Jaffery said we were facing slight decline in our exports during the first four months of the current financial year, but due to corrective measures we are confident to achieve the export target of $9 billion.

A spokesman of the Ministry of Finance has described the news item appearing in a section of the press as absolutely baseless and incorrect alleging that the Federal Government has directed the Government of Punjab to suspend the release of funds to all departments. He said the Federal Government has not issued any such directive to the Government of Punjab. All monthly [word indistinct] of development assistance and shared taxes are being transferred to the provinces as per schedule. The spokesman observed that being immensely concerned with socioeconomic uplift of the masses, the Federal

Government has provided two-thirds of the funds for social action program as a grant.

Minister Asks Altaf Hussain To Prove Innocence

BK0612053895 Islamabad Radio Pakistan Network in English 0300 GMT 6 Dec 95

[FBIS Transcribed Text] The federal minister for information and broadcasting, Mr. Khalid Ahmad Khan Kharal, has asked the chief of the Altaf Group, Mr. Altaf Hussain, to prove his innocence before the court instead of leveling baseless statements against the government. While taking serious note of Altaf Hussain's statement appearing in a section of the press yesterday, he said the nation has found the real face of Altaf Hussain and his anti-Pakistan aspirations would end in smoke.

'Huge Quantity' of Arms Recovered in Karachi

BK0512033695 Islamabad Radio Pakistan Network in English 0300 GMT 5 Dec 95

[FBIS Transcribed Text] In Karachi, five persons were killed and four injured in various incidents yesterday. Meanwhile, huge quantity of weapons were recovered in Liaqatabad-A area by the police from a closed factory after exchange of fire with the terrorists. A police statement said the terrorists have set up their headquarters after occupying a dyeing factory in the area, which was closed for quite some time. They have been using the factory as arms depot.

Sri Lanka

President Addresses Nation, Calls For Unity

BK0612115795 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 6 Dec 95

[FBIS Transcribed Text] President Chandrika Kumaratunga has called upon the people to unite to live as peaceful citizens in a free democratic country. Addressing the nation this morning from the Presidential Secretariat, she said that the aim of the peace was to unite the country as well as all communities. She was addressing the nation in a simple ceremony held at the Presidential Secretariat to inform of the successful completion of the Operation Riviresa Stage I.

Speaking further, the president said that this victory was not achieved as a result of a battle launched by one community against another or to subjugate another community. We fought against the division of the country. It is a fight against terrorists who grabbed the fundamental rights of the Tamil citizens, saying that their rights would be granted.

The government held discussions with the LTTE [Liberation Tigers of Tamil Eelam] and organizations representing the Tamil people to build a united peaceful Sri Lanka. The problems of the Tamils were clearly understood. The government had acted honestly to find permanent solutions to difficulties and injustices confronted by them. The high-water mark of this exercise was the devolution package.

Another great victory achieved was the dedication and enthusiasm shown by the Sinhala community to the peace process. Another was the majority Tamils and all their parties and organizations which extended support. One more victory is that Sri Lanka was able to rise as a proud nation, winning the support of the international community in the peace process. The peace process was converted into a peace war only to defeat the LTTE, and we have won its first stage. However, we have to go a long journey for permanent peace.

The government has prepared a political program for this purpose. The president said that the forces were prepared to face challenges if their were any other groups that do not approve of this. She requested the Sinhala community to maintain the patience they had so far displayed. She also requested them to make themselves aware that the government was working honestly to find solutions to injustices caused to the Tamil community.

The Tamil people were requested to return to the Jaffna Peninsula and maintain normal life as they would be provided with all civil services and security by the government. She appealed to LTTE cadres to surrender to the government and pledged security to them too.

Offers Amnesty to 'Guerillas'

BK0612093195 Hong Kong AFP in English 0915 GMT 6 Dec 95

[By Amal Jayasinghe]

[FBIS Transcribed Text] COLOMBO, Dec 6 (AFP) — Sri Lanka President Chandrika Kumaratunga Wednesday [6 December] offered an amnesty to Tamil Tiger guerrillas in an address to the nation marking the capture of the rebel bastion of Jaffna.

Kumaratunga said security forces had successfully completed their offensive against the Liberation Tigers of Tamil Eelam (LTTE) by taking the northern town after 50 days of fighting which left nearly 2,500 dead on both sides.

"We see a dawn of a new era," Kumaratunga said in her speech broadcast live from office. "I invite all members of the LTTE to lay down arms and end violence. The government will offer you an amnesty."

Her remarks came as the military recovered the bodies of 23 policemen killed by the guerrillas in a daring suicide attack and an ambush in the east of the island late Tuesday.

The LTTE acknowledged that Jaffna, capital of the de facto state they run in the north of the island, had fallen to security forces who raised the national flag there Tuesday.

The Tigers' clandestine radio said they had launched a massive recruitment drive to boost rebel ranks to retake Jaffna, the symbol of Tamil separatism in the country.

Kumaratunga, a member of the majority Sinhalese community, said all sections of the minority Tamil community supported her political efforts to end the war, which was reignited by the LTTE's withdrawal from peace talks in April.

"The only defeat of our peace plan was the attacks against us by the LTTE, " she said. "It is only then we had to battle for peace. We have now achieved victory in the first phase for peace."

Kumaratunga described the battle for Jaffna as a war against "terrorism, separatism and racism of the LTTE." She said Tamils no longer need fear the guerrillas who ruled Jaffna with an iron fist.

"We have re-conquered the right of all people to live in peace and unity... Our struggle was to prevent the division of our land," said Kumaratunga.

She urged thousands of Tamil civilians who fled the fighting to return to Jaffna and promised to restore civil administration and rebuild the battle-scarred region.

"You do not need to continue any more the sacrifices you made with the blood and lives of your children," she told Tamil refugees.

Kumaratunga said she was aware of the grievances of the Tamil community and they would be met through a political package she unveiled in August envisaging greater autonomy to minorities communities.

"We still have a long way to go in our battle to end the war and to win a durable peace," she said. "Let us not crow over our military victory. We must not allow ourselves to forget that all wars, however savage they may be, are finally won through human dialogue."

There was no immediate reaction from the LTTE, but Tiger supremo Velupillai Prabhakaran said last week he will not negotiate under pressure and vowed to pursue his battle for a homeland.

Deputy defence minister Anuruddha Ratwatte who led the army drive against the LTTE handed the president a scroll formally declaring the end of the Jaffna offensive begun on October 17.

Kumaratunga said the military was ready to meet any new threat from the LTTE which had withdrawn most of its fighters from the Jaffna peninsula to the rest of the northeast region still under their control.

Military figures show that at least 508 security personnel and an estimated [figure indistinct] rebels were killed in the battle for Jaffna.

Security was tightened across the capital Colombo with all roads closed between Kumaratunga's residence and her office where she was accorded a guard of honour by the army, navy and the air force.

Alliance Statement Supports Government Policies

BK0612120695 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 6 Dec 95

[FBIS Transcribed Text] The government will wipe out terrorism in the north and establish united Sri Lanka according to the Constitution so that Tamil civilians, who have been suffering in the hands of the LTTE [Liberation Tigers of Tamil Eelam], could live in peace and harmony. The People's Alliance [PA], in a statement, said yesterday that Operation Riviresa [sunshine] would be continued till all terrorists were defeated.

The statement, signed by [PA] general secretary and the minister of agriculture, lands, and forestry, D.M. Jayaratne, said that innocent Tamil population has been saved from terrorism, and they were able to hoist the lion flag in the Jaffna city center. Minister Jayaratne has said that rigging of votes in the Jaffna District Development Council elections and the burning of the Jaffna library during the previous regime had created a hatred among the Jaffna population. This led the youth of Jaffna to act against the government and the Sinhalese people. The minister said that the agitation of the Jaffna youth had now turned into terrorism.

The previous governments and former presidents, with their shortsighted policies and their inability to take proper and bold decisions, failed to win the hearts of the Tamil community. They had failed to solve the problems politically or militarily. This has resulted in the Tamil groups' launching campaigns throughout the world, tarnishing the image of the Sri Lankan community, the government, the leadership, and the Sinhalese community. By this propaganda, the LTTE terrorists obtained support from various countries.

Realizing the gravity of the situation, President Chandrika Kumaratunga initiated a frank discussion with the

LTTE. During the talks, the president focused her attention on immediate relief measures, such as food, medicine, education, agriculture, and other needs of the Tamil population. She was able to bring about a cessation of hostilities and won the commendation of the international community. By this action, the tarnished image of the government and the people for nearly 13 years was completely erased. However, the LTTE unilaterally broke the cessation of hostilities. They recommenced their offensive against the government. Mrs. Kumaratunga in her attempt to find a lasting solution to the ethnic problem put forward a proposal for the devolution of power, which was acclaimed by the world community.

The People's Alliance statement further said that the ongoing offensive in the north was launched to liberate the innocent Tamil civilians from the grip of the Tigers. Troops of Operation Riviresa were able to [word indistinct] and save the Tamils who had suffered at the hands of the LTTE terrorists, but it said that this was not the end of the problem. The main objective of the president is to find a lasting political solution to the ethnic crisis. It is the responsibility of every citizen of this country to support the president's pragmatic policies.

Minister Jayaratne concluded the statement, saying that the People's Alliance paid homage to the president, the deputy defense minister, and the gallant members of the security forces for their historic achievement in Jaffna this week.

Jaffna Flag-Raising, Ongoing Operation Reported

BK0512120595 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 5 Dec 95

[FBIS Transcribed Text] Marking the historic victory in recapturing Jaffna from the LTTE [Liberation Tigers of Tamil Eelam] terrorists, the national flag was hoisted in Jaffna town this morning.

The national flag was hoisted by the deputy minister of defense and minister for power and energy, Colonel Anuruddha Ratwatte, on the invitation of the Jaffna Commander Major Rohan Daluwatte to celebrate the victory of Operation Riviresa. The Army flag was hoisted by Commander Lieutenant General Gerry de Silva, while the Naval Commander Mohan Samarasekara hoisted the Navy flag. Commander of the Air Force Oliver Ranasinghe hoisted the Air Force flag. The police flag was hoisted by Inspector General of Police W.B. Rajaguru, while retired assistant government agent T. Ramalingam, representing the Jaffna population, hoisted the Jaffna flag.

The armed forces conducted a guard of honor. The deputy defense minister who flew to Jaffna to celebrate the historic victory was welcomed by the northern commander. The minister was later conducted on a tour around Jaffna town. He also had a brief meeting with the senior officers of the armed forces and others.

Political analysts say that there were several reasons for this victory. The said that the first reason was the open and genuine leadership of President Chandrika Kumaratunga. The president, together with the commanders of the armed forces, carried out this exercise to reestablish peace, which the LTTE rejected. The security forces were well-equipped with weapons and other materials needed for the war.

Another factor that contributed to the recapture of Jaffna was the continued coordination of the Deputy Defense Minister Col. Anuruddha Ratwatte, who frequently visited the battlefront. Analyst also pointed out that the people in the south conducted themselves in an exemplary manner at a time of crisis and helped to boost the morale of the security forces to achieve their objective. The president's commitment to peace and harmony has been the major component to the successful operation of the Riviresa troops, whereas several operations conducted earlier failed.

President Chandrika Kumaratunga has been able to convince the international community that the LTTE was carrying out a brutal offensive against the government. The analysts also say that the security forces should now consolidate their positions in Jaffna and pave the way to implement the political proposals and establish united Sri Lanka.

Deputy Defense Minister Ratwatte said that he was grateful to the armed forces and the police, who helped President Chandrika Kumaratunga to crush terrorism and eliminate separatism to reestablish peace and harmony in the country. The minister requested to observe a two-minute silence in respect of the personnel of the armed forces and the police and also the Sinahala, Tamil, Muslim, and other civilians who died during the last 12 years as a result of war and violence. Accordingly, two minute's silence was observed from 1154 to 1156 today.

A massive explosion destroyed part of Jaffna Kachcheri [secretariat] building yesterday. The Operational Headquarters of the Defense Ministry says that the blast was caused by an LTTE explosive device. No security forces personnel were injured in this incident. Troops suspect that the explosives were activated by a timing device.

Clearing operations in the Jaffna city center are now under way. According to the Defense Ministry, Operation Riviresa is still continuing. The column of troops that advanced southwest after taking Ariyakulam have already cleared the Jaffna Kachcheri, Gurunagar and St. Mary's church inside the city. Another column advancing from the north has already liberated the Jaffna Fort area including the Pannai Causeway. The column moving northwest from the PWD [Public Works Department] office area in Colombothurai has linked up with the troops in the fort. The security forces have already taken control of the bus stand and the Jaffna Teaching Hospital, the Clock Tower and the Kachcheri. Army officers say that there are many improvised explosive devices in houses and buildings. Troops are also attending to the need of civilians.

LTTE Launches Attack After Jaffna Capture

BK0512124195 Hong Kong AFP in English
1221 GMT 5 Dec 95

[FBIS Transcribed Text] COLOMBO, Dec 5 (AFP) — Tamil Tiger guerrillas Tuesday [5 December] launched an abortive suicide attack against police in eastern Sri Lanka as the government formally declared the capture of the rebel citadel of Jaffna, military sources said.

The separatist Liberation Tiger of Tamil Eelam [LTTE] tried to drive an explosives packed truck into a camp of the police Special Task Force (STF) at Pudukudirippu in the Batticaloa district, a military official said.

"The truck exploded as a sentry opened fire to stop it," the official said adding that one STF commando was killed and two others were wounded. It was not immediately clear how many rebels were in the truck.

The attack came barely three hours after Deputy Defence minister Anurudha Ratwatte hoisted the national flag in the former rebel stronghold of Jaffna in the island's north on the 50th day of a major offensive.

Tamil Party Leader Views Devolution

BK0312120095 Colombo SUNDAY OBSERVER
in English 3 Dec 95

[Article by M. Sivasithamparam, president of the Tamil United Liberation Front: "Share Power and Preserve the Unity of the Country" — received via Internet]

[FBIS Transcribed Text] When a modicum of power passed into Ceylonese hands with a territorialy and not communally elected State Council, under the control of the Sinhalese, the leaders of the Sinhalese systematically planned to translate their dream into reality to make Ceylon a Sinhala-Buddhist land while other national groups and non-Buddhist religious groups were to be tolerated second class citizens.

The first step in this plan was to install, by mathematical manipulation, a pan-Sinhala Board of Ministers and thus prevent Tamil, Muslim and Burgher members of the State Council playing an effective role in the committee system. The Ministers who held important portfolios carried on a systematic campaign of discrimination against minorities, both racial and religious.

The leaders of the Minorities wanted to fight this pan-Sinhala move by agitating for increased representations in the Legislature. Mr. G.G. Ponnambalam formed his All Ceylon Tamil Congress to agitate for balanced representation (reduced to a crude mathematical formula — 50-50 by the newspapers) by which no single community could get more seats than all other communities together. He eloquently advocated this political formula before the Soulbury Commission but the Commission, anxious to safeguard British economic interests in the Island, sided D.S. Senanayake and rejected Ponnambalam's demand.

Minority grievances

Yet, the Soulbury Commission recognised that the minorities had grievances and provided two safeguards in the Soulbury Constitution: Section 29 and the demarcation of Constituencies on the twin basis of population and area which would have given some weightage to the minorities. But the first proved inadequate and the second was subverted by the Ceylon Citizenship Act and the Indian Pakistani Citizenship Act when the thousands of plantation workers lost their rights of citizenship and franchise. This resulted in the plantation workers being counted for demarcating electorates but they had no votes in the same electorates. So a mechanism fashioned to give weightage to minorities was converted to give weightage to the Sinhalese. We saw the sorry spectacle of electorates in the up- country with less than 10,000 votes while electorates in the rest of the country had more than 20,000 votes.

Since independence the rights of Tamils were snatched, one by one. In 1956 by enacting Sinhala as the sole Official language — the Language rights of the Tamils was taken away. Since 1948 by systematic State-aided colonisation of Sinhalese in the North and East, the demographic pattern of the Eastern province was drastically altered to the detriment of the Tamils. In 1946, in round figures the Tamils were 135 thousand, the Muslims 110 thousand and the Sinhalese were 30 thousand in the Eastern province. But according to the 1981 census, Tamils are 400 thousand, Muslims are 315 thousand and Sinhalese are 243 thousand. While the increase in Tamil and Muslim population is less than three fold (a natural increase) the increase in Sinhala population is eight fold, due to State-aided colonisation.

Thus the right to vote, right to language and then the right to land were taken away by a Parliament which had a permanent Sinhala racial majority which could not be dislodged even by a combination of all other minority national groups.

Lastly even the right to live was brutally snatched. The racial attacks on Tamils in 1956, 1958, 1961 resulted in the death and maiming of hundreds of Tamils and destruction of property belonging to Tamils worth many billions. On these occasions, the Tamils fled and took refuge in the North and East. But in the holocaust of 1983, the armed forces attacked and killed Tamils in the North and East and Tamils had to flee to Tamil Nadu. President Jayewardene was deafeningly silent for four days and when he finally came on television he had not even a word of sympathy for the Tamil people but spoke of his people, the Sinhala people.

All these convinced the Tamil people and their leaders that representation alone cannot guarantee their rights. It became necessary to share power on a territorial basis and thus was articulated on behalf of the Tamil people the demand for a federal devolution of power. Federal Devolution of power is a well-tried and successful constitutional device in multi-national, multi- linguistic and multi-religious countries.

The sustained non-violent agitation by Mr. Chelvanayakam and the Federal Party made Sinhalese Liberal Leaders like Mr. S.W.R.D. Bandaranaike and Dudley Senanayake to think of finding a solution. Although they did not accept Federation, they thought of devolving powers on regions. Indeed, even the Donoughmore Commission recommended the setting up of Regional Councils but no action was taken on the recommendation. Devolution of power recommended itself to both these Prime Ministers because they borrowed most of their political thinking from Britain and the idea of devolution is a peculiarly British contribution to politics with which they experimented in Northern Ireland, Scotland and Wales. Both Prime Ministers entered into solemn pacts with Mr. Chelvanayakam and the corner-stone of these agreements was the creation of Regional bodies — Regional councils or District councils to which power to deal with certain subjects were devolved. But alas, narrow-minded Sinhala Chauvinists coerced and intimidated them to renege on the pacts. If indeed both pacts had been implemented, all the tragedies, deaths, shedding of blood and destruction of property would never have happened. But I suppose nations like individuals have pre-ordained destines which must run their course.

Legitimate

With these failures to keep faith with Agreements, came the 1972 and 1978 Constitutions of Sirimavo Bandaranaike and J.R. Jayewardene. These were fashioned without the cooperation and consent of the Tamil people. Both constitutions confirmed the stamp of second class citizens on the Tamil people. It was in this scenario that the Tamils closed their ranks, formed the Tamil United Liberation Front [TULF] and passed the famous Vaddukkoddai Resolution in 1976. The Resolution declared that the Sovereignty of the Tamil people, lost to the foreigner, should be restored. On the basis of this Resolution, the TULF won 16 of the 17 possible Tamil seats in the North and East.

Fortuitously Mr. Amirthalingam became the Leader of the Opposition and in that capacity, he met many Leaders of the democratic countries of the world. While every one of them, including, Mrs. Indira Gandhi told him "We sympathise with the position of the Tamil people. They have legitimate grievances but is a separate State the only answer? Can you not place some other political alternative and if you do, we will back it".

After consultations with his colleagues, he said in Parliament and in the All Parties' Conference "The mandate the people gave us is for a separate State but if the Government will give us a just and reasonable alternative, we will take it before our people and work it." But we have waited for over fifteen years. There was no response — the only response was brutal oppression and draconian laws. With the good offices of India, the Indo-Sri Lanka Accord was signed but it failed because of the lack of faith on the part of Jayewardene and because of the intransigence of the LTTE [Liberation Tigers of Tamil Eelam].

In November, 1994 a new voice was heard in the political arena — the voice of Chandrika Bandaranaike Kumaratunga. She lost no time in entering into a dialogue with the LTTE. Although that dialogue ended abruptly, she offered a political package containing substantive devolution of power to the regions and which was a frame-work for sharing of power with the Tamil and Muslim people.

Impediments

All impediments for the sharing of power in the 1978 constitution have been removed in these proposals. The provision in both the 1972 and 1978 constitutions which proclaimed that Sri Lanka was a unitary State has been removed. This was deliberately introduced into both the 1972 and 1978 constitutions to pre-empt any solution on the basis of a meaningful devolution of power. The judgement of the Supreme Court in the case on the

13th Amendment made this very clear. The Judges who approved the 13th Amendment declared that the amendment did not impinge on the Unitary Character of the 1978 Constitution while the Judges who did not approve of the 13th Amendment argued that the 13th Amendment was federal in character and therefore was ultra vires the Unitary provision of the 1978 Constitution. By the deletion of this provision, the way is made clear for meaningful devolution and sharing of power. Similarly the provision of the 1978 Constitution which prohibited Parliament from abdicating its power of legislation to any other authority, say the Provincial Council, has been omitted. So now Parliament can give the power of Legislation on specified matters to the Regional Council. These proposals have cleared the stage for a useful exercise of devolution of power.

There are more salient features in these proposals which are a definite advance on any previous constitutional proposals. I shall only mention a few:

1. President or Governor cannot dissolve the Regional council.
2. The Governor has no power to refuse assent to any legislation passed by the Regional Council.
3. The lists of subjects for the Provinces and the Centre are clearly defined. The concurrent list of subject as in the 13th Amendment has been omitted and all those subjects have been transferred to the Provincial List.
4. The Regional Council can raise loans locally and also negotiate for loans with foreign governments. Of course an upper limit is being fixed. Regional Councils can receive grants from foreign countries.

Extremists

Two matters which have been agitating the Tamils for many years are:

(a) Law and Order. There will be Regional Police Force under a Regional IGP [inspector general of police] and a National Police under a National IGP. The Regional IGP will be answerable to the Regional Chief Minister and not to the Governor or the National IGP. Hence Law and Order in the Region will be controlled by the Regional Police. Since a Regional Police Commission will be in charge of appointments, transfers and disciplinary control, the personnel of the Regional Police will naturally reflect the ethnic ratio of the Region.

(b) Land. All State land will be vested in the Regional Council and the selection of allottees will be done by the Chief Minister and Board of Ministers. If the Centre wants land for a subject in the centre list, the centre will have to make a request from the Regional Council.

The two matters which be-devilled the country for many years has been attended to satisfy all concerned.

Of course, the unit of devolution has not been finally agreed upon. It is to be hoped that Her Excellency will approach this problem too with her usual reasonableness.

Extremists on both sides of the divide have stridently criticised this package. But the very large majority of all peoples in the country, academics, the media in foreign countries and leaders of foreign governments have with one voice welcomed the proposals and devolution. Let reason prevail — Let peace be restored — Let us face the 21st century with hope and good-will on all sides.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.